

No. 13155

---

United States  
Court of Appeals  
for the Ninth Circuit.

---

R. E. OLSEN, et al.,

Appellants,

vs.

POTLATCH FORESTS, INC., a Corporation;  
JOHN HANCOCK MUTUAL LIFE INSUR-  
ANCE COMPANY; INTERNATIONAL  
WOODWORKERS OF AMERICA, Affiliated  
With the Congress of Industrial Organizations,  
LOCAL No. 10-358, of the International Wood-  
workers of America, at Pierce, Idaho, et al.,

Appellees.

---

Transcript of Record

---

Appeal from the United States District Court,  
for the District of Idaho  
Northern Division.

FILED

MAR - 5 1952



No. 13155

---

United States  
Court of Appeals  
for the Ninth Circuit.

---

R. E. OLSEN, et al.,

Appellants,

vs.

POTLATCH FORESTS, INC., a Corporation;  
JOHN HANCOCK MUTUAL LIFE INSUR-  
ANCE COMPANY; INTERNATIONAL  
WOODWORKERS OF AMERICA, Affiliated  
With the Congress of Industrial Organizations,  
LOCAL No. 10-358, of the International Wood-  
workers of America, at Pierce, Idaho, et al.,

Appellees.

---

Transcript of Record

---

Appeal from the United States District Court,  
for the District of Idaho  
Northern Division.





## NAMES AND ADDRESSES OF ATTORNEYS

MILLER & HAWKINS,

WILLIAM S. HAWKINS,

E. L. MILLER,

Coeur d'Alene, Idaho,

For the Appellants.

CLARENCE J. YOUNG,

FRANK C. McCOLLOCH,

800 Pacific Bldg.,

Portland, Oregon;

ELDER, ELDER & SMITH,

R. M. ELDER,

Powell Bldg.,

Coeur d'Alene Idaho;

WM. A. BABCOCK,

402 Public Service Bldg.,

Portland, Oregon,

For the Appellee.



United States District Court, District of Idaho,  
Northern Division  
No. 1808

POTLATCH FORESTS, INC.,

Plaintiff,

vs.

INTERNATIONAL WOODWORKERS OF  
AMERICA, Affiliated With the CONGRESS  
OF INDUSTRIAL ORGANIZATIONS, LO-  
CAL No. 10-358 of the INTERNATIONAL  
WOODWORKERS OF AMERICA, at Pierce,  
Idaho, and LOCAL No. 10-361 of the INTER-  
NATIONAL WOODWORKERS OF AMER-  
ICA of St. Maries, Idaho, and LOCAL No. 10-  
119 of the INTERNATIONAL WOODWORK-  
ERS OF AMERICA of Coeur d'Alene, Idaho,  
and LOCAL No. 10-364 of the INTERNA-  
TIONAL WOODWORKERS OF AMERICA  
of Lewiston, Idaho; JOHN HANCOCK MU-  
TUAL LIFE INSURANCE COMPANY,  
THE NORTH IDAHO SERVICE BUREAU,  
O. M. HUSTED, R. E. OLSEN, JAMES  
M. KING, BERT DAVIDSON, JOHN A.  
FOGLESONG, LESTER A. CLEMETSON,  
OTIS NUSTAD, FRANK ANDREWS, JOE  
BJORNSTAD, CECIL McMILLIN, BEN  
JOHNSON, HAROLD A. STANDAHL,  
STANLEY C. PARRIOTT, WILMER  
MOORE, LELAND SANDE, STANLEY M.  
WEST, LYNELLE T. RABUN, HOMER  
COGSWELL, HOWARD ELY, GILMAN  
MOORE, GAIL L. BARRY, AMOS E. LIBBY,  
DAVID NICHOLS, E. A. DUFFIELD, C. C.

BUEGE, W. A. JARDINE, WAYNE DAVIS, W. R. SWEITZER, JR.; ED DENISON, VERNE EATON, WESLEY A. OLSON, CHARLES L. WALTON, ESQ.; W. E. OVE-SON, W. G. PETERS, AXEL HOLMBLAD, LEONARD W. KERBER, JOHN G. Mac-DONALD, W. E. BENSON, LOUIS OLSON, DONALD N. TOSH, CARL W. NYMAN, JOE BRANDVOLD, ROY BJAALAND, C. R. KOCHER, GEORGE GROSE, WILLIAM E. MATTSON, GARDNER TEALL, CHET E. ROATH, JAMES D. WRIGHT, ARNOLD DAVIDSON, JERRY MARKUSON, AL RO-SEN LUND, WILLIAM E. FORMAN, AR-NOLD H. OLSON, GEORGE ERICKSON, ADOLPH OLSON, BERNARD W. VALEN-TINE, HALVOR BRUSTAD, RICHARD H. McCOWEN, JOHN W. PINKLEY, HAROLD SONNICHSEN, HARRY H. FIELDS, BILL OVERBAY, GUST JOHNSON, CRAIG D. WILCOX, HARRY R. FIELDS, JOHN D. MARSON, A. A. FORNESS, H. C. KIEPER, SAM LANORE, L. E. KELLY, M. C. ADAMS, WILLIAM H. HEBERT, CLIFFORD F. ANDERSON, L. E. ACRE, HERBERT C. MENSCH, JOHN HURRELL, LEMUEL R. CEDERBLOOM, ROBERT G. TEALL, FRANK F. KNOX, JOHN CARLSON, VIC-TOR DAHLSTROM, BERTIL KNUTSON, LOUIS R. ACRE, LAWRENCE L. HARMON, JAY W. GIBBS, JOHN A. BARBER, JOHNNY CARLSON, JAMES A. ROE, OLI-

VER BRECTO, OSCAR C. OLSON, FRED L. STEPHENSON, HOWARD STAPLES, HOWARD M. ELDER, LLOYD MOE, JAY B. CARPENTER, ALVIN A. BATCHELDER, EINAR H. HOLMBLAD, CLAUDE H. RAWSON, HENRY O. BJAALAND, GEORGE DILL, PAUL ANTONSON, VICTOR LEINUM, LEONARD E. GERMAN, L. H. MENSCH, RAY JANUSCH, RICHARD R. YOUNG, JOHN W. SPRACKLIN, JOHN GITTEL, ROBERT MARRHEWS, and All Other Production and Maintenance Employees of the Plaintiff Similarly Situated,

Defendants.

## COMPLAINT FOR DECLARATORY RELIEF

Comes now the above-named plaintiff and as a cause of action against the above-named defendants, alleges:

### I.

The above-named plaintiff, the Potlatch Forests, Inc., is a corporation organized and existing under and by virtue of the laws of the State of Maine and authorized to do business in the State of Idaho.

### II.

That the above-named defendant, International Woodworkers of America affiliated with the Congress of Industrial Organizations is an international labor organization and has affiliated with it the defendant's Local No. 10-358 of the International

Woodworkers of America at Pierce, Idaho, and Local No. 10-361 of the International Woodworkers of America of St. Maries, Idaho, and Local No. 10-119 of the International Woodworkers of America, of Coeur d'Alene, Idaho, and Local No. 10-364 of the International Woodworkers of America of Lewiston, Idaho, all of such defendants having been designated and certified by the National Labor Relations Board pursuant to National Labor Relations Act as the bargaining agent of the production and maintenance employee of the plaintiff, the Potlatch Forests, Inc.

### III.

That the defendant, the John Hancock Mutual Life Insurance Company, is a corporation organized and existing under the laws of Massachusetts and authorized to do business and write insurance within the State of Idaho.

### IV.

That the defendant, the North Idaho Service Bureau, is an association with its principal office at Lewiston, Idaho. That the defendant, O. M. Husted, is a resident of Coeur d'Alene, Idaho, and is a practicing physician and surgeon.

### V.

That the defendant, R. E. Olson and the other defendants named above are production and maintenance employees of the plaintiff, Potlatch Forests, Inc., employed at the plaintiff's plant at Coeur d'Alene, Idaho. That "all other production and maintenance employees of the plaintiff similarly situ-



ated'' are so named as defendants in said complaint for the reason that it is impracticable to bring approximately 3,000 defendants before this court.

## VI.

That the ground upon which the jurisdiction of this court depends is the diversity of citizenship. The plaintiff is a corporation authorized and existing under and by virtue of the laws of the State of Maine. That the defendant, the John Hancock Mutual Life Insurance Company, is a corporation organized and existing under and by virtue of the laws of the State of Massachusetts and the defendants, the International Woodworkers of America, affiliated with the Congress of Industrial Organizations, Local No. 10-358, Local No. 10-361, Local No. 10-119, Local No. 10-364 are all labor organizations operating within the State of Idaho. That all of the other defendants named above are citizens of the State of Idaho and reside within the State of Idaho.

## VII.

That the matter of controversy herein exceeds exclusive interest and costs the sum or value of Three Thousand Dollars (\$3,000.00).

## VIII.

That on or about the 14th day of July, 1950, the plaintiff, the Potlatch Forests, Inc., entered into a collective bargaining agreement with the defendants, the International Woodworkers of America, affiliated with the Congress of Industrial Organiza-

tions and the defendants, Local No. 10-358 of Pierce, Idaho, Local No. 10-361 of St. Maries, Idaho, Local No. 10-119 of Coeur d'Alene, Idaho, and Local No. 10-364 of Lewiston, Idaho. That a copy of said bargaining agreement is attached hereto marked Exhibit "A" and made a part of this complaint.

## IX.

That said bargaining agreement among other things provided in Article XVIII thereof, entitled, Company Financed Health and Welfare, as follows:

"(a) A Company paid Health and Welfare program shall be financed as follows: Wage rates will be increased seven and one-half cents (7½c) per hour, effective June 1, 1950, as to employees on the payroll on the date this agreement is executed, for the purpose of financing and paying for an employee benefit program. For scheduled hourly and piece rate workers the increase shall be converted in accordance with the formula used in the past in making similar conversions.

"(b) Each employee included within the bargaining unit under this agreement, upon execution of this agreement in his behalf by the Union as his duly certified collective bargaining agent, hereby authorizes and directs the Company to deduct from his earnings each month the sum of 7½c for each hour worked by him or 60c per day for scheduled hourly employees and to pay said sum to such insurance carrier or carriers or hospital or physicians' organization legally author-



ized to do business in the State of Idaho as the Union or its authorized representatives may designate to be used exclusively for social benefits to inure to the benefit of the individual employee only. The Union shall notify the Company of the carrier or carriers or hospital or physicians' organization designated by it and the amount to be paid to each. The Company will cooperate with the Union and the insurance carrier or hospital or physicians' organization in securing necessary information for coverage. No employee, or former employee, shall have any claim, right, interest in or demand to said 7½c or said 60c, or any part thereof, or in the provisions of Article XVIII, except he shall receive the social benefits, insurance, medical and surgical coverage, and dividends or refunds as provided under the policy or policies issued by the carrier or carriers as a result of negotiations by the Union with the carrier or carriers. No employee or former employee shall have any right or cause of suit or action and none shall be maintained under the provisions of this working agreement or otherwise against the Company or the Union by reason of the provisions of Article XVIII.

“(c) Effective as soon as permitted by its present policies the Company shall forthwith terminate any existing employee social benefit programs to which the employee contributes. Under the provisions of paragraph (b) of this Article, the employee also authorizes a deduction from

his earnings of a sum equal to the amount heretofore contributed by the Company to such existing programs, from and after the effective date of this Article for the purpose of defraying the cost of that program from that date until actually terminated.

“(d) It is the intention of the Company and the Union that the foregoing program is in lieu of any similar or related programs requiring employer contributions under State and/or Federal law now existing or which may be hereafter enacted, and the parties hereto agree to amend the foregoing program, if necessary, from time to time to conform to and comply with any such legislation. If the foregoing is found to be in conflict with any Federal or State law, the parties agree to amend it to conform to the same.”

## X.

That beginning on the 1st day of June, the Potlatch Forests, Inc., in accordance with provision XVIII of said bargaining agreement deducted from its 3,164 employees the sum of \$.071½ an hour and sum of \$.60 per days from the scheduled hourly employees. That upon instructions from the International Woodworkers of America, affiliated with the Congress of Industrial Organizations and its above-named affiliated locals, the Potlatch Forests, Inc., paid over the moneys so deducted:

a. The sum of \$3.50 per month for each employee to the above-named defendant, the North Idaho Medical Service Bureau except the em-

ployees of the above-named plaintiff employed at its Coeur d'Alene Plant and for such employees under the instructions received paid the sum of \$2.50 per month for each employee to Dr. O. M. Husted of Coeur d'Alene, Idaho, named above as a defendant.

b. The balance of said sum deducted from each employee was paid by the plaintiff under the instructions received from the Union to the defendant, the John Hancock Mutual Life Insurance Company.

That copies of the instructions received from the defendant, the International Woodworkers of America and the above-named affiliated Locals are attached hereto and marked Exhibits "B," "C," "D" and "E" and made a part of this complaint.

## XI.

That the plaintiff is informed and believes and therefore alleges that the defendant, the International Woodworkers of America, affiliated with the Congress of Industrial Organizations, and its affiliated Locals, named as defendants above, entered into a contract for group insurance with the John Hancock Mutual Life Insurance Company covering all of the employees within the bargaining units of plaintiff's operations for life, accident, and health insurance. That said policy of insurance took effect on the 1st day of July, 1950.

## XII.

That on September 6, 1950, the above-named plaintiff was served with a demand signed by 109 of its employees requesting that no further deductions be made on their earnings for the health and welfare program and that such sums heretofore deducted be returned to them immediately. That such employees signing said demand have been made defendants herein. That defendant unions named above contend that under Paragraph XVIII of Exhibit "A" the plaintiff is required to deduct the \$.07½ per hour from each hour worked by all production and maintenance employees and to pay the sum out as the union may direct as set forth in Paragraph X above. That the above-named defendant employees who signed the demand, being Exhibit "F," attached hereto and made a part hereof, contend that the plaintiff has no right or authority to deduct said \$.07½ from their earnings without an individual authorization signed by the employee. That none of said defendant employees or any of plaintiff's employees similarly situated have signed individual's authorizations for said deduction.

That under the terms of Exhibit "A," and Paragraph XVIII in particular, the plaintiff has during the months of June, July, and August deducted from the earnings of its employees the sum of \$117,-197.00 and paid said sum out under direction from the union as set forth more particularly in Paragraph X above. That during the life of the contract set out as Exhibit "A" the plaintiff will de-



duct from the earnings of its employees and pay out in accordance with instructions from the union approximately \$770,000.00. That the average deduction for each employee in the bargaining unit of plaintiff's operation is approximately \$17.00 per month.

### XIII.

That plaintiff contends that said bargaining agreement, plaintiff's Exhibit "A," is valid and binding upon the company and that individual authorizations from each employee is not necessary or required in view of Paragraph XVIII of the bargaining agreement set out in Paragraph IX above wherein the bargaining agent of the employees authorizes the deduction to be made from the earnings of each production and maintenance employee within the bargaining unit, but that the claim of the above-named employees named as defendants and all other employees similarly situated, that Article XVIII of said contract is not valid and that individual authorizations are necessary, presents a matter of actual controversy between the parties and raises a question of the validity of the whole of said agreement.

Wherefore, plaintiff prays for a declaratory judgment finding that said contract hereinabove described is wholly valid and enforceable and unaffected by any law of the State of Idaho and of the United States; and that under said contract the plaintiff is authorized to make the deduction from

its employee's earnings and pay said sum out in accordance with the directions of the defendant unions, and for such other relief as the court may direct.

/s/ ROBT. H. ELDER,

/s/ R. M. ELDER,

/s/ SIDNEY E. SMITH,

Attorneys for Plaintiff.

### EXHIBIT "B"

July 14, 1950

Potlatch Forests, Inc.

Name of Company

Lewiston, Idaho

Address

Dear Sirs:

Local Union No. 10-358 IWA hereby certified acceptance of the recommendation of the Northwest Regional Negotiating Committee for a Health and Welfare and Paid Holiday Program.

John Hancock Mutual Life Insurance Company has been contracted to underwrite the coverage effective July 1, 1950. We hereby authorize you to deduct and forward the monthly payments of 7½¢ for each hour worked since June 1, 1950, to John Hancock Mutual Life Insurance Company, 310 Governor Bldg., Portland, Oregon.

Employees who have worked during the month of June, 1950, and have had wages of 7½¢ per hour

withheld for such Health and Welfare Program, but who have terminated their employment prior to July 1, 1950, will not be covered when the plan becomes effective on July 1, 1950. The amounts withheld by you, from the wages of such employees, at the rate of 7½¢ per hour, shall be repaid to such employees, as they are not protected in any way by any coverage whatever under such Health and Welfare Program during the month of June.

The Company is hereby authorized to deduct from the above amount and pay to the North Idaho Medical Bureau, \$3.50 per month per employee in accordance with their contract.

J. M. RHODES, Fin. Sec.

Signature.

LOCAL 10-358, Pierce, Idaho,

Local Union.

EXHIBIT "C"

July 14, 1950.

Potlatch Forests, Inc.

Name of Company

Lewiston, Idaho

Address

Dear Sirs:

Local Union No. 361 IWA hereby certifies acceptance of the recommendation of the Northwest Regional Negotiating Committee for a Health and Welfare and Paid Holiday Program.

John Hancock Mutual Life Insurance Company has been contracted to underwrite the coverage effective July 1, 1950. We hereby authorize you to deduct and forward the monthly payments of 71½c for each hour worked since June 1, 1950, to John Hancock Mutual Life Insurance Company, 310 Governor Bldg., Portland, Oregon.

Employees who have worked during the months of May and/or June, 1950, and have had wages of 71½c per hour withheld for such Health and Welfare Program, but who have terminated their employment prior to July 1, 1950, will not be covered when the plan becomes effective on July 1, 1950. The amounts withheld by you, from the wages of such employees, at the rate of 71½c per hour, shall be repaid to such employees, as they are not protected in any way by any coverage whatever under such Health and Welfare Program during the months of May and/or June.

The Company is hereby authorized to deduct from the above amount and pay to the N. I. M. S., \$3.50 per month per employee in accordance with their contract.

WM. SCHWARTZMAN,  
Signature.

10-361,

Local Union.



EXHIBIT "D"

July 19, 1950.

Potlatch Forests, Inc.

Name of Company

Lewiston, Idaho

Address

Dear Sirs:

Local Union No. 364, IWA, hereby certifies acceptance of the recommendation of the Northwest Regional Negotiating Committee for a Health and Welfare and Paid Holiday Program.

John Hancock Mutual Life Insurance Company has been contracted to underwrite the coverage effective July 1, 1950. We hereby authorize you to deduct and forward the monthly payments of 7½¢ for each hour worked since June 1, 1950, to John Hancock Mutual Life Insurance Company, 310 Governor Bldg., Portland, Oregon.

Employees who have worked during the month of June, 1950, and have had wages of 7½¢ per hour withheld for such Health and Welfare Program, but who have terminated their employment prior to July 1, 1950, will not be covered when the plan becomes effective on July 1, 1950. The amounts withheld by you, from the wages of such employees, as they are not protected in any way by any coverage whatever under such Health and Welfare Program during the month of June.

The Company is hereby authorized to deduct from

the above amount and pay to the North Idaho Medical Bureau, \$3.50 per month per employee in accordance with their contract.

HERBERT P. JENKINS,

Recd. Sect.

Signature.

10-364, IWA-CIO,

Local Union.

EXHIBIT "E"

August 31, 1950.

Potlatch Forests, Inc.—Rutledge Unit

Name of Company

Coeur d'Alene, Idaho

Address

Dear Sirs:

Local Union No. 119, IWA., hereby certifies acceptance of the recommendation of the Northwest Regional Negotiating Committee for a Health and Welfare and Paid Holiday Program.

John Hancock Mutual Life Insurance Company has been contracted to underwrite the coverage effective July 1, 1950. We hereby authorize you to deduct and forward the monthly payments of 7½¢ for each hour worked since May 1, 1950, to John Hancock Mutual Life Insurance Company, 310 Governor Bldg., Portland, Oregon.

Employees who have worked during the months of May and/or June, 1950, and have had wages of  $7\frac{1}{2}c$  per hour withheld for such Health and Welfare Program, but who have terminated their employment prior to July 1, 1950, will not be covered when the plan becomes effective on July 1, 1950. The amounts withheld by you, from the wages of such employees, at the rate of  $7\frac{1}{2}c$  per hour, shall be repaid to such employees, as they are not protected in any way by any coverage whatever under such Health and Welfare Program during the months of May and/or June.

The Company is hereby authorized to deduct from the above amount and pay to Dr. O. M. Husted, \$2.50 per month per employee in accordance with their contract.

/s/ CECIL W. JOHNSON,  
Signature.

IWA-CIO Local 10-119,  
Local Union.

## EXHIBIT "F"

Sept. 6, 1950.

We the undersigned, employees of the Potlatch Forests, Inc. (Rutledge Unit) request that nothing more be deducted from our pay checks in favor of the Health and Welfare Fund; and that such sums that have already been deducted be returned.

R. E. Olsen	W. A. Jardine
James M. King	Wayne Davis
Bert Davidson	W. R. Sweitzer, Jr.
John A. Foglesong	Ed Denison
Lester A. Clemetson	Verne Eaton
Otis Nustad	Wesley A. Olson
Frank Andrews	Charles L. Walton, Esq.
Joe Bjornstad	W. E. Oveson
Cecil McMillin	W. G. Peters
Ben Johnson	Axel Holmblad
Harold A. Standahl	Leonard W. Kerber
Stanley C. Parriott	John G. MacDonald
Wilmer Moore	O. E. Benson
Leland Sande	Louis Olson
Stanley M. West	Donald N. Tosh
Lynelle T. Rabun	Carl W. Nyman
Homer Cogswell	Joe Brandvold
Howard Ely	Roy Bjaaland
Gilman Moore	C. R. Kochel
Gail L. Barry	George Grose
Amos E. Libby	William E. Mattson
David Nichols	Gardner Teall
E. A. Duffield	Chet E. Roath
C. C. Buege	James D. Wright

Arnold Davidson	Herbert C. Mensch
Jerry Markuson	John Hurrell
Al Rosenlund	Lemuel R. Cederbloom
William E. Forman	Louis R. Acre
Arnold H. Olson	Lawrence L. Harmon
George Erickson	Jay W. Gibbs
Adolph Olson	John A. Barber
Bernard W. Valentine	Johnny Carlson
Halvor Brustad	James A. Roe
Richard H. McCowen	Oliver Brecto
Robert G. Teall	Oscar C. Olson
Frank F. Knox	Fred L. Stephenson
John Carlson	Howard Staples
Victor Dahlstrom	Howard M. Elder
Bertil Knutson	Lloyd Moe
John W. Pinkley	Jay B. Carpenter
Harold Sonnichsen	Alvin A. Batchelder
Harry H. Fields	Einar H. Holmblad
Bill Overbay	Claude H. Rawson
Gust Johnson	Henry O. Bjaaland
Craig D. Wilcox	George Dill
Harry R. Fields	Paul Antonson
John D. Marsan	Victor Leinum
A. A. Forness	Leonard E. German
H. C. Kieper	L. H. Mensch
Sam Lenore	Ray Janusch
L. E. Kelly	Richard R. Young
M. C. Adams	John W. Spracklin
William H. Hebert	John Gittel
Clifford F. Anderson	Robert Matthews
L. E. Acre	

[Endorsed]: Filed November 13, 1950.



[Title of District Court and Cause.]

### ANSWER

Come now the following defendants: R. E. Olsen, James M. King, Bert Davidson, John A. Foglesong, Lester A. Clemetson, Otis Nustad, Frank Andrews, Joe Bjornstad, Cecil McMillin, Ben Johnson, Harold A. Standahl, Stanley C. Parriott, Wilmer Moore, Leland Sande, Stanley M. West, Lynelle T. Rabun, Homer Cogswell, Howard Ely, Gilman Moore, Gail L. Barry, Amos E. Libby, David Nichols, E. A. Duffield, C. C. Buege, W. A. Jardine, Wayne Davis, W. R. Sweitzer, Jr., Ed Denison, Verne Eaton, Wesley A. Olson, Charles L. Walton, Esq., W. E. Oveson, W. G. Peters, Axel Holmblad, Leonard W. Kerber, John G. MacDonald, W. E. Benson, Louis Olson, Donald N. Tosh, Carl W. Nyman, Joe Brandvold, Roy Bjaaland, C. R. Kochel, George Grose, William E. Mattson, Gardner Teall, Chet E. Roath, James D. Wright, Arnold Davidson, Jerry Markuson, Al Rosenlund, William E. Forman, Arnold H. Olson, George Erickson, Adolph Olson, Bernard W. Valentine, Halvor Brustad, Richard H. McCowen, John W. Pinkley, Harold Sonnichsen, Harry H. Fields, Bill Overbay, Gust Johnson, Craig D. Wilcox, Harry R. Fields, John D. Marson, A. A. Forness, H. C. Kieper, Sam Lanore, L. E. Kelly, M. C. Adams, William H. Hebert, Clifford F. Anderson, L. E. Acre, Herbert C. Mensch, John Hurrell, Lemuel R. Cederbloom, Robert G. Teall, Frank E. Knox, John Carlson, Victor Dahlstrom, Bertil Knutson, Louis R.

Acre, Lawrence L. Harmon, Jay W. Gibbs, John A. Barber, Johnny Carlson, James A. Roe, Oliver Brecto, Oscar C. Olson, Fred L. Stephenson, Howard Staples, Howard M. Elder, Lloyd Moe, Jay B. Carpenter, Alvin A. Batchelder, Einar H. Holmblad, Claude H. Rawson, Henry O. Bjaaland, George Dill, Paul Antonson, Victor Leinum, Leonard E. German, L. H. Mensch, Ray Janusch, Richard R. Young, John W. Spracklin, John Gittel and Robert Marrhews; and in Answer to Plaintiff's Complaint admit, deny, and allege as follows:

I.

Admit the allegations of Paragraph I of plaintiff's complaint.

II.

Admit the allegations of Paragraph II of plaintiff's complaint.

III.

Admit the allegations of Paragraph III of plaintiff's complaint.

IV.

Admit the allegations of Paragraph IV of plaintiff's complaint.

V.

Answering Paragraph V of plaintiff's complaint these answering defendants' admit that they are production and maintenance employees of the plaintiff Potlatch Forests, Inc., and employed at the plaintiff's plant at Coeur d'Alene, Idaho, a majority of whom are not members of the Unions or Locals herein referred to, but have no information or

belief as to other production and maintenance employees as to whether or not they are similarly situated and have no knowledge or information as concerns the practicability of bringing other defendants before this Court.

#### VI.

Answering Paragraph VI of plaintiff's complaint these answering defendants admit that the jurisdiction of this Court is predicated upon diversity of citizenship, and that this Court has jurisdiction herein, and denies the remaining allegations of Paragraph VI.

#### VII.

These answering defendants' admit the allegations of Paragraph VII of plaintiff's complaint, as to all of said defendants' herein answering, but deny that the amount involved exceeds \$3,000.00 as to any individual defendant herein named, and appearing in this Answer.

#### VIII.

Answering Paragraph VIII of plaintiff's complaint, these answering defendants' admit that the plaintiff Potlatch Forests, Inc., entered into a collective bargaining agreement as evidenced by Exhibit A attached to and made a part of the Complaint with the defendants therein named.

#### IX.

These defendants admit that Article XVIII entitled "Company Financed Health and Welfare"



contains the provisions set forth in Paragraph IX of plaintiff's complaint, but deny that they are binding upon or have any effect upon these answering defendants' and affirmatively allege that they have no force or effect as to any employee therein referred to who fails, neglects or refuses to sign any authorization for the deduction of such monies therein defined for the purposes therein set forth.

### X.

The defendants admit that deductions have been made pursuant to said alleged bargaining agreement in the amount of 7½c an hour and the sum of \$.60 per day for scheduled hourly employees, but having no knowledge as to the application of such deductions, or where they have gone, deny the remainder of the allegations of said complaint and further deny any knowledge as to instructions received from the defendant International Woodworkers of America.

### XI.

These answering defendants admit that the International Woodworkers of America affiliated with the Congress of Industrial Organizations and its affiliated Locals, defendants herein, entered into a contract with the John Hancock Mutual Life Insurance Company with respect to insurance, but deny that said contract covers these answering defendants or that the defendant, International Woodworkers of America, affiliated with the Congress of Industrial Organizations and its affiliated Locals, had any authority to enter into any contract with John Hancock Mutual Life Insurance Company as

to these answering defendants, and have never been authorized so to do, and deny that the policy of insurance took effect as to these answering defendants on the 1st day of July, 1950, or at any other time.

## XII.

These answering defendants admit that on September 6, 1950, they caused to be served upon the plaintiff a Demand signed by these answering defendants requesting that no further deductions be made on their earnings for the Health and Welfare Program and that such sums heretofore deducted be returned to them immediately, and deny that the plaintiff is required to deduct the sum of 7½¢ per hour from each hour worked by these answering defendants, or any other sum to pay out as the Union may direct as set forth in Paragraph X of plaintiff's complaint, and these defendants contend and claim that the plaintiff has no right or authority to deduct the said 7½¢ from their earnings or any other sum without an individual authorization signed by the employee, and admit that these answering defendants and each and all of them have refused to sign individual authorizations but deny any knowledge as to anyone else similarly situate. These answering defendants deny because of the lack of knowledge or information Paragraph II of Paragraph XII of plaintiff's complaint.

## XIII.

These answering defendants deny each and every allegation of Paragraph XIII of plaintiff's complaint, except that a controversy exists between the

parties and raises a question as to the validity of the whole of said agreement, and particularly that portion with respect to any deductions under the alleged Article XVIII of said alleged contract.

Wherefore, these defendants pray that a Judgment be entered herein holding invalid and unenforceable any contract between the International Woodworkers of America, affiliated with the Congress of Industrial Organizations and its affiliated Locals, named herein, and adjudging that the plaintiff and said International Woodworkers of America and its affiliates have no right or authority to enter into any such contract, or that the plaintiff has any authority by virtue of such contract or otherwise to deduct the sum of 7½¢ per hour or any other sum from their earnings without an individual authorization signed by the employee consisting of these answering defendants, or to pay out in accordance with the directions of the defendant Unions any other sum unless specifically authorized by these individual answering defendants; and for such other and further relief as to the Court may seem just and proper.

Dated this 22nd day of January, 1951.

/s/ W. S. HAWKINS,

Attorney for the Above-Named Answering Defendants. Residence & P. O. Address: Coeur d'Alene, Idaho.

[Endorsed]: Filed February 28, 1951.

[Title of District Court and Cause.]

## STIPULATION OF FACTS

It Is Hereby Stipulated between the parties having appeared in this action as follows:

### I.

The above-named plaintiff, the Potlatch Forests, Inc., is a corporation organized and existing under and by virtue of the laws of the State of Maine and authorized to do business in the State of Idaho.

The plaintiff, Potlatch Forests, Inc., is engaged in the business of logging and the manufacturing of lumber and lumber products. It has its principal office and place of business at Lewiston, Idaho. It operates saw mills and other manufacturing facilities at Lewiston, Potlatch, and Coeur d'Alene, Idaho, and logging operations in the vicinity of Bovill and Headquarters, Idaho. The greatest part of its products is sold and shipped to points outside the state of Idaho. The plaintiff is engaged in interstate commerce within the meaning of the National Labor Relations Act as amended by the Labor Management Relations Act of 1947. The Collective Bargaining Agreement between the plaintiff and the defendant unions and any disputes which may arise there under affect interstate commerce within the meaning of the National Labor Relations Act as amended.

### II.

The above-named defendant, International Woodworkers of America affiliated with the Congress

of Industrial Organizations, is an international labor organization and has affiliated with it the defendant's Local No. 10-358 of the International Woodworkers of America at Pierce, Idaho, and Local No. 10-361 of the International Woodworkers of America of St. Maries, Idaho, and Local No. 10-119 of the International Woodworkers of America, of Coeur d'Alene, Idaho, and Local No. 10-364 of the International Woodworkers of America of Lewiston, Idaho, all of such defendants having been designated and certified by the National Labor Relations Board pursuant to National Labor Relations Act as the bargaining agent of the production and maintenance employees of the plaintiff, the Potlatch Forests, Inc.

### III.

The defendant, the John Hancock Mutual Life Insurance Company, is a corporation organized and existing under the laws of Massachusetts and authorized to do business and write insurance within the state of Idaho.

### IV.

The defendant, the North Idaho Service Bureau, is an association with its principle office at Lewiston, Idaho. That the defendant, O. M. Husted, is a resident of Coeur d'Alene, Idaho, and is a practicing physician and surgeon.

### V.

The defendant, R. E. Olson and the other defendants named above are production and mainten-



ance employees of the plaintiff, Potlatch Forests, Inc., employed at the plaintiff's plant at Coeur d'Alene, Idaho.

## VI.

The ground upon which the jurisdiction of this court depends is the diversity of citizenship. The plaintiff is a corporation authorized and existing under and by virtue of the laws of the state of Maine. That the defendant, the John Hancock Mutual Life Insurance Company, is a corporation organized and existing under and by virtue of the laws of the state of Massachusetts, and the defendants, the International Woodworkers of America affiliated with the Congress of Industrial Organizations, Local No. 10-358, Local No. 10-361, Local No. 10-119, Local No. 10-364 are all labor organizations operating within the State of Idaho. That all of the other defendants named above are citizens of the state of Idaho and reside within the state of Idaho.

## VII.

The matter in controversy herein exceeds, exclusive interest and costs, the sum or value of Three Thousand Dollars (\$3,000.00).

## VIII.

On or about the 14th day of July, 1950, the plaintiff, the Potlatch Forests, Inc., entered into a collective bargaining agreement with the defendants, the International Woodworkers of America affiliated with the Congress of Industrial Organizations, and the defendants, Local No. 10-358 of Pierce,

Idaho; Local No. 10-361 of St. Maries, Idaho; Local No. 10-119 of Coeur d'Alene, Idaho; and Local No. 10-364 of Lewiston, Idaho. That a copy of said bargaining agreement is attached to plaintiff's complaint marked Exhibit "A" and by reference is hereby made a part of this stipulation.

### IX.

That said bargaining agreement, among other things, provided in Article XVIII thereof, entitled, Company Financed Health and Welfare, as follows:

(a) A Company paid Health and Welfare program shall be financed as follows: Wage rates will be increased seven and one-half cents ( $7\frac{1}{2}c$ ) per hour, effective June 1, 1950, as to employees on the pay roll on the date this agreement is executed, for the purpose of financing and paying for an employee benefit program. For scheduled hourly and piece rate workers the increase shall be converted in accordance with the formula used in the past in making similar conversions.

(b) Each employee included within the bargaining unit under this agreement, upon execution of this agreement in his behalf by the Union as his duly certified collective bargaining agent, hereby authorizes and directs the Company to deduct from his earnings each month the sum of  $7\frac{1}{2}c$  for each hour worked by him or 60c per day for scheduled hourly employees

and to pay said sum to such insurance carrier or carriers or hospital or physicians' organization legally authorized to do business in the state of Idaho as the Union or its authorized representatives may designate to be used exclusively for social benefits to inure to the benefit of the individual employee only. The Union shall notify the Company of the carrier or carriers or hospital or physicians' organization designated by it and the amount to be paid to each. The Company will cooperate with the Union and the insurance carrier or hospital or physicians' organization in securing necessary information for coverage. No employee, or former employee, shall have any claim, right, interest in or demand to said 7½c or said 60c, or any part thereof, or in the provisions of Article XVIII, except he shall receive the social benefits, insurance, medical and surgical coverage, and dividends or refunds as provided under the policy or policies issued by the carrier or carriers as a result of negotiations by the Union with the carrier or carriers. No employee or former employee shall have any right or cause of suit or action and none shall be maintained under the provisions of this working agreement or otherwise against the Company or the Union by reason of the provisions of Article XVIII.

(c) Effective as soon as permitted by its



present policies the Company shall forthwith terminate any existing employee social benefit programs to which the employee contributes. Under the provisions of paragraph (b) of this Article, the employee also authorizes a deduction from his earnings of a sum equal to the amount heretofore contributed by the Company to such existing programs, from and after the effective date of this Article for the purpose of defraying the cost of that program from that date until actually terminated.

(d) It is the intention of the Company and the Union that the foregoing program is in lieu of any similar or related programs requiring employer contributions under State and/or Federal law now existing or which may be hereafter enacted, and the parties hereto agree to amend the foregoing program, if necessary, from time to time to conform to and comply with any such legislation. If the foregoing is found to be in conflict with any Federal or State law, the parties agree to amend it to conform to the same.

## X.

Beginning on the 1st day of June, the Potlatch Forests, Inc., in accordance with provision XVIII of said bargaining agreement deducted from its 3,164 employees the sum of \$.07½ an hour and the sum of \$.60 per day from the scheduled hourly employees. That upon instructions from the International Woodworkers of America affiliated with

the Congress of Industrial Organizations and its above-named affiliated locals, the Potlatch Forests, Inc., in accordance with the terms of the contract, paid over the moneys so deducted:

a. The sum of \$3.50 per month for each employee to the above-named defendant, the North Idaho Medical Service Bureau except the employees of the above-named plaintiff employed at its Coeur d'Alene Plant and for such employees under the instructions received paid the sum of \$2.50 per month for each employee to Dr. O. M. Husted of Coeur d'Alene, Idaho, named-above defendant. A total of \$92,652.47 has been paid the Bureau and \$3,712.90 to Husted to date.

b. The balance of said sum deducted from each employee was paid by the plaintiff under the instructions received from the Union to the defendant, the John Hancock Mutual Life Insurance Company, a total to date of \$311,234.78.

That copies of the instructions received from the defendant, the International Woodworkers of America and the above-named affiliated locals, are attached to plaintiff's complaint and marked Exhibits "B," "C," "D," and "E" and by reference are made a part of this stipulation.

## XI.

The International Woodworkers of America affiliated with the Congress of Industrial Organizations

and its affiliated Locals, named as defendants above, entered into a contract for group insurance with the John Hancock Mutual Life Insurance Company covering all of the main employees within the bargaining unit of plaintiff's operations for life, accident, and health insurance. That said policy of insurance took effect on the 1st day of June, 1950, and a true and correct copy of said policy of insurance as amended is attached hereto marked Exhibit "A" and made a part of this stipulation.

## XII.

That on September 6, 1950, the above-named plaintiff was served with a demand signed by 109 of its employees requesting that no further deductions be made on their earnings for the health and welfare program and that such sums heretofore deducted be returned to them immediately. That such employees signing said demand have been made defendants herein. That defendant unions named above contend that under Paragraph XVIII of Union Bargaining Agreement the plaintiff is required to deduct the \$.071½ per hour from each hour worked by all production and maintenance employees and to pay the sum out as the union may direct as set forth in Paragraph X above. That the above-named defendant employees who signed the demand, contend that the plaintiff has no right or authority to deduct said \$.071½ from their earnings without an individual authorization signed by the employee. That none of plaintiff's employees

have signed individual's authorizations for said deduction.

Under the terms of the union bargaining agreement, and Paragraph XVIII in particular, the plaintiff has during the months of June, 1950, to March, 1951, both inclusive, deducted from the earnings of its employees the sum of \$407,600.15 and paid said sum out under direction from the union as set forth more particularly in Paragraph X above. That during the life of the contract the plaintiff will deduct from the earnings of its employees and pay out in accordance with instructions from the union approximately \$770,000.00.

### XIII.

Plaintiff contends that said bargaining agreement is valid and binding upon the company and that individual authorizations from each employee are not necessary or required in view of Paragraph XVIII of the bargaining agreement set out in Paragraph IX above wherein the bargaining agent of the employees authorizes the deduction to be made from the earnings of each production and maintenance employee with the bargaining unit, but that the claim of the above-named employees named as defendants and all other employees similarly situated, that Article XVIII of said contract is not valid and that individual authorizations are neces-

sary, presents a matter of actual controversy between the parties and raises a question of the validity of Article XVIII of said agreement.

POTLATCH FORESTS, INC.,

By its Attorneys:

/s/ ROBT. H. ELDER,

/s/ R. N. ELDER,

/s/ SIDNEY E. SMITH.

INTERNATIONAL WOODWORKERS OF  
AMERICA and Affiliated LOCALS No. 10-358,  
No. 10-361, No. 10-119, and No. 10-364.

By their Attorneys:

/s/ WM. A. BABCOCK,

JOHN HANCOCK MUTUAL  
LIFE INSURANCE CO.

By its Attorneys:

KOERNER, YOUNG,

McCOLLOCH & DEZENDORF,

/s/ FRANK C. McCOLLOCH,

/s/ CLARENCE J. YOUNG,

/s/ RAY E. DURHAM.

DEFENDANT EMPLOYEES OF RUTLEDGE  
UNIT AS LISTED IN EXHIBIT "F" OF  
PLAINTIFF'S COMPLAINT.

By their Attorney:

/s/ WM. S. HAWKINS.



## EXHIBIT A

This Policy Provides Group Insurance Coverage  
as Indicated Below

No. 7968-GMC

John Hancock Mutual  
Life Insurance Company

Boston, Massachusetts  
Incorporated 1862

hereby agrees with International Woodworkers of America—CIO, Portland, Oregon (herein called the Union) to make the payments provided herein, subject to all the conditions and provisions of this Policy.

Only the coverages which are checked in the following Schedule of Group Insurance Coverages and for which a premium rate is shown in the Section hereof entitled "General Provisions" are provided by this Policy on its effective date; other coverages may be added by amendment after said effective date.

Schedule of Group Insurance Coverages

- ☒ Life.
- ☒ Accidental Death and Dismemberment.
- ☒ Accident and Sickness.
- ☒ Hospital Expense for Employees.
- ☒ Surgical Operation Expense for Employees.
- ☒ Medical Expense for Employees.



Exhibit A—(Continued)

- ☒ Laboratory and X-Ray Examination Expense for Employees.
- ☒ Hospital Expense for Dependents.
- ☒ Surgical Operation Expense for Dependents.
- ☒ Medical Expense for Dependents.
- ☒ Laboratory and X-Ray Examination Expense for Dependents.
- ☒ Supplemental Accident Expense for Employees.

This Policy is issued in consideration of the application of the Union, and of the payment by the Union of the initial premium due on July 1, 1950, which is the effective date of this Policy, and of the payment thereafter by the Union during the continuance of this Policy of premiums due on the first day of each succeeding calendar month.

The first anniversary of this Policy shall be April 1, 1951, and subsequent policy anniversaries shall be the first day of April of each year thereafter.

This Policy is delivered in Oregon and is governed by the laws of that jurisdiction.

The conditions and provisions hereinafter set forth are hereby made a part of this Policy.

In Witness Whereof, the John Hancock Mutual Life Insurance Company has, by its President and Secretary, executed this Policy and caused it to

Exhibit A—(Continued)

be duly countersigned at Boston, Massachusetts, on  
this.....day of....., 19.....

/s/ PAUL F. CLARK,  
President.

/s/ ELMER L. FRENCH,  
Secretary.

.....,  
Resident Agent.

Countersigned:

/s/ HAROLD V. BROWN,  
Registrar.

Accepted by: The Union.

By .....,  
Title.

Annual Surplus Distribution as Accrued  
and Apportioned

Form 1770.3-GMC Ed. 7-50.

Table of Contents  
Group Insurance Coverage

	Section
Life .....	A
Accidental Death and Dismemberment.....	B
Accident and Sickness.....	C
Hospital Expense for Employees.....	D
Surgical Operation Expense for Employees.....	E
Medical Expense for Employees.....	F

Exhibit A—(Continued)

Laboratory and X-ray Examination Expense for Employees.....	G
Supplemental Accident Expense for Employees...	H
Hospital Expense for Dependents.....	M
Surgical Operation Expense for Dependents.....	N
Medical Expense for Dependents.....	P
Laboratory and X-ray Examination Expense for Dependents.....	Q

General Provisions

	Section T
Definitions .....	Page T-1
Eligible Class of Employees.....	Page T-2
Insurance Coverages Available to an Employee in the Eligible Class.....	Page T-2 & 3
Dates Employees become Eligible....	Page T-4
Effective Dates of Individual Insur- ance of Employees.....	Page T-4
Eligibility of Dependents.....	Page T-5
Effective Dates of Individual Insur- ance of Dependents.....	Page T-5
Discontinuance of Individual Insur- ance of Employees.....	Page T-6
Discontinuance of Individual Insur- ance of Dependents.....	Page T-7
Amounts of Insurance.....	Page T-8 & 9
Records Required.....	Page T-10
Employee's Individual Certificate....	Page T-10
Premium Payment.....	Page T-10
Grace Period.....	Page T-11

## Exhibit A—(Continued)

Premium Rates, Calculations and Adjustments .....	Page T-11&12
Premium for Changes in Insurance..	Page T-13
Proof of Claim.....	Page T-13
Payment of Claim.....	Page T-13
Examination .....	Page T-13
Limitation of Action.....	Page T-13
Modification of Policy.....	Page T-14
Termination of this Policy.....	Page T-14
Termination of Insurance of Classes.	Page T-14
Annual Surplus Distribution.....	Page T-14
Renewal .....	Page T-14
Non-Waiver of Policy Provisions....	Page T-14
Neither Union Nor Any Employer Company's Agent.....	Page T-14

## Special Administrative Provisions

Special Administrative Provisions...	Page U-1,2&3
Form 1770.3-GMC	
Ed. 7-50	

## Section A

## Group Life Insurance

Insuring Clause. Subject to the terms and conditions of this Policy applicable to this coverage, upon receipt of due proof at the Home Office of the Company of the death of an employee insured for Life Insurance under this Policy, the Company shall pay to a beneficiary, other than any Employer, the amount of Life Insurance in force under this

Exhibit A—(Continued)

Section A—(Continued)

Policy on the life of such employee at the date of death, in accordance with the provision entitled "Amounts of Insurance" contained herein.

Waiver of Premium Benefit in the Event of Permanent and Total Disability. The Company will waive the payment of further premiums on the amount of insurance in force on the life of an employee on the last day on which he is actively at work and will, upon the employee's death, pay the amount of said insurance to the beneficiary, provided:

(a) the employee ceases active work on account of permanent and total disability resulting from bodily injuries or disease which prevents the employee from engaging in any business or occupation and from performing any work for compensation or profit;

(b) such disability is continuance until the death of the employee;

(c) the employee ceases active work before attaining age 60;

(d) the employee furnishes the Company at its Home Office, after nine months but within twelve months following the date he ceases active work, written proof on the Company's prescribed forms that he is permanently and totally disabled as defined in (a) of this provision, and has been so disabled continuously since the date he ceased active work. At the



## Exhibit A—(Continued)

## Section A—(Continued)

time the employee furnishes such proof of disability the Company will endorse his certificate to indicate acknowledgment of receipt of said proof and the date upon which it was received, such date to be referred to as Original Date of Endorsement;

(e) the employee furnishes the Company at its Home Office with written proof on the Company's prescribed forms of continued permanent and total disability within the three months immediately prior to each anniversary of the Original Date of Endorsement during the life of the employee; the Company will endorse the employee's certificate each year when such proof of continued permanent and total disability is furnished;

(f) written proof on the Company's prescribed forms of the employee's death is furnished to the Company at its Home Office within one year of the death of the employee. In the event of death of the employee within one year from the date of termination of employment and before any such proof of disability has been submitted, written proof on the Company's prescribed forms that the employee was continuously disabled from the date of termination of his employment to the date of death shall be

Exhibit A—(Continued)

Section A—(Continued)

furnished to the Company within one year after the death of said employee;

(g) no death benefit is payable as set forth in "C" of the provision entitled "Conversion Privilege."

The Company shall have the right to have any employee who submits proof of disability in accordance with this provision examined at any time by physicians designated by it; provided, that after such disability shall have continued for two full years, such examination will not be required more often than once in each subsequent year. [A-1\*]

Waiver of Premium Benefit in the Event of Permanent and Total Disability. (Continued) All rights of an employee under this provision shall cease on the earliest of the following dates:

(1) the date of cessation of the employee's permanent and total disability;

(2) the date the employee engages in any business or occupation or performs any work for compensation or profit, whether or not the employee continues to be permanently and totally disabled;

(3) the last day of any twelve-month period of continued insurance under this provision, if the proof of disability required by subsection (e) of this provision is not furnished

[Page numbering appearing on original certified copy.]

## Exhibit A—(Continued)

## Section A—(Continued)

within the three-month period specified therein;

(4) the date on which the employee refuses to submit to examination, by physicians designated by the Company acting within its rights as set forth above, upon its request.

No judicial proceeding shall be brought to enforce the endorsement of any employee's certificate under this provision unless brought within two years after the Company refuses to make such endorsement. If any time limitation of this Policy with respect to the bringing of any judicial proceeding to enforce endorsement of any employee's certificate under this provision is less than that permitted by the law of the state in which the insured resides at the time this Policy is issued, such limitation is hereby extended to agree with the minimum period permitted by such law.

If an individual policy shall have been issued and become effective in accordance with the provision entitled "Conversion Privilege," no payment shall be made under the terms of this provision unless such individual policy shall be surrendered to the Company without claim thereunder, in which case the Company will refund to the beneficiary under such individual policy the premium paid thereon.

## Conversion Privilege

A. Any employee, upon written application made to the Company within thirty-one days after the earlier of the following dates:

Exhibit A—(Continued)

Section A—(Continued)

(a) the date of termination of his employment, as hereinbefore defined, for any reason whatsoever, or

(b) the date of discontinuance of individual insurance because of failure to make the required premium contribution, unless the employee continues active work as a full-time employee,  
or within thirty-one days after

(c) the date of cessation if his rights under the provision entitled "Waiver of Premium Benefit in the Event of Permanent and Total Disability," shall be entitled to have issued to him by the Company, without evidence of insurability, an individual policy of life insurance subject to all the following conditions and provisions:

(1) such individual policy shall be in any one of the forms then customarily issued by the Company, except term insurance; [A-2]

(2) the premium for such individual policy shall be the premium applicable to the class of risk to which the employee belongs and to the form and amount of the policy at the employee's attained age (nearest birthday) at the date of issue of such individual policy;

(3) the amount of such individual policy shall be equal to (or at the option of the employee, less than) the amount of the employee's Life Insurance hereunder which was discon-

## Exhibit A—(Continued)

## Section A—(Continued)

tinued on whichever of the dates specified in paragraphs (a), (b) or (c) above is applicable;

(4) the first premium payment on such individual policy of life insurance so issued shall be made to the Company within the thirty-one-day period during which application for such individual policy may be made;

(5) that no other such individual policy issued to the employee in accordance with this provision is then in force.

B. Any employee, upon

(a) termination of this Policy by either the Union or the Company, or

(b) termination of that portion of this Policy providing Life Insurance, shall be entitled to the rights and benefits set forth in subdivision A of this provision, in accordance with its terms and conditions, provided his Life Insurance has been continuously in force for at least five years immediately preceding such termination, except that the amount of such individual policy shall not exceed the lesser of

(i) the amount of such employee's Life Insurance under this Policy at the date of such termination, less any amount of Life Insurance for which he may be or may become eligible under any Group



Exhibit A—(Continued)

Section A—(Continued)

Policy issued by the Company or by any other insurer within thirty-one days after such termination, and

(ii) \$2,000.

C. Insurance under any individual policy issued in accordance with this provision shall become effective at the end of the thirty-one-day period during which application for such individual policy may be made.

Extension of Death Benefit During Conversion Privilege Period. In the event of the death of the employee during such thirty-one-day period and if the employee is not otherwise entitled to Life Insurance benefits under this Policy, the Company shall pay to the beneficiary as a death benefit the maximum amount of Life Insurance for which an individual policy could have been issued under this provision whether or not the employee shall have made written application for conversion.

Beneficiary. The employee may from time to time change the beneficiary under his Life Insurance hereunder by filing written notice thereof at the Home Office of the Company. After such written notice has been received, the change shall relate back to take effect as of the date the employee signed said written notice of change whether or not the employee be living at the time of the receipt of such written notice but without prejudice to the

## Exhibit A—(Continued)

## Section A—(Continued)

Company on account of any payment made by it before receipt of such written notice. [A-3]

In the event of the death of the beneficiary or beneficiaries last named by the employee prior to that of the employee, or if no beneficiary shall have been named, the Life Insurance or the commuted value of any remaining instalments thereof payable as herein provided, as the case may be, shall be paid to the executors or administrators of the employee, except that the Company may in such case, at its option, pay such insurance to such employee's wife or husband if living; if not living, to the children of such employee, equally; if none survive, to either the father or mother of such employee or to both equally if both survive.

If the beneficiary is a minor or is otherwise incapable of giving a valid release for any payment due, the Company may, at its option and until claim is made by the duly appointed guardian or committee of such beneficiary, make payment of the amount of Life Insurance payable to such beneficiary, at a rate not exceeding \$50.00 per month, to any relative by blood or connection by marriage of such beneficiary, or to any other person or institution appearing to it to have assumed custody and principal support of such beneficiary. Such payments shall constitute a full discharge of the liability of the Company to the extent thereof.

Modes of Settlement of Claims. Any valid claim

## Exhibit A—(Continued)

## Section A—(Continued)

under this Policy shall be paid either in one amount, or upon the written election of the employee, in a fixed number of instalments which may be mutually agreed upon in writing by the employee and the Company and which will provide for payment of the full amount of Life Insurance due during the period not exceeding five years after the death of the employee. Such instalment payments shall be computed upon the basis of the effective rate of interest applicable under this provision at the date of death of the insured employee.

In the event that an agreement for payment of claim by instalments has not been made by the employee prior to his death, such an agreement may be made by the beneficiary last named by the employee.

If the beneficiary shall die before all instalments have been paid under such an agreement selected, and if there is no contingent beneficiary designated, the remainder of the instalments shall be commuted and paid in one sum to the executors or administrators of the beneficiary. The effective date of interest used by the Company in commuting any remaining instalments shall be the rate of interest originally used in determining such instalment payments.

The Company shall determine each year the effective rate of interest to be guaranteed as the basis for computing instalment payments under any

## Exhibit A—(Continued)

## Section A—(Continued)

claim with respect to which the date of death of the insured employee occurs in the calendar year following such determination.

**Misstatement of Age.** If the age of any employee has been misstated, the amount payable hereunder shall be the full amount of Life Insurance to which said employee is entitled in accordance with the provision entitled "Amounts of Insurance" contained herein, but premium adjustments shall be made and the Union shall pay the Company the premiums called for at the true age of the employee.

**Incontestability.** Except for non-payment of premiums by the Union, this Policy shall be incontestable after two years from the date of issue and the Life Insurance on an individual employee shall be incontestable after such insurance has been in force for a period of two years during such employee's lifetime.

**Assignment.** No rights or benefits of any employee relating to Life Insurance under this Policy shall be assignable. [A-4]

## Section B

## Group Accidental Death and Dismemberment Insurance

**Insuring Clause.** If any employee, while insured for Accidental Death and Dismemberment Insurance under this Policy, suffers any of the losses described below, as a result of bodily injuries sustained solely through external, violent and acci-

## Exhibit A—(Continued)

## Section B—(Continued)

dental means, directly and independently of all other causes and within ninety days from the date of such injuries, the Company shall pay to the employee, if living, otherwise to a beneficiary other than any Employer, the amount of insurance specified for such loss in the following Schedule of Indemnities, determined on the basis of the Full Amount of Insurance set forth in the provision entitled "Amounts of Insurance" contained herein; provided, however, that no payment shall be made for any loss caused wholly or partly, directly or indirectly, by

(a) disease, or bodily or mental infirmity, or medical or surgical treatment thereof; or

(b) ptomaines, or bacterial infections, except infection introduced through a visible wound accidentally sustained; or

(c) suicide while sane or insane, or intentionally self-inflicted injury; or

(d) war, or any act of war, whether declared or undeclared.

## Schedule of Indemnities

## Full Amount of Insurance for Loss of:

Life

Both Hands

Both Feet

One Hand and One Foot

Sight of Both Eyes

One Hand and Sight of One Eye

One Foot and Sight of One Eye



## Exhibit A—(Continued)

## Section B—(Continued)

One-Half of the Full Amount of Insurance for  
Loss of:

Sight of One Eye

One Hand

One Foot

Loss of hands or feet shall mean loss by severance at or above the wrist or ankle joint, and loss of sight shall mean total and irrecoverable loss of sight.

If an employee shall suffer more than one of the losses described above as a result of any one accident, no more than the full amount of insurance of the employee shall be payable.

Beneficiary. The employee may from time to time change the beneficiary under his Accidental Death and Dismemberment Insurance hereunder by filing written notice thereof at the Home Office of the Company. After such written notice has been received, the change shall relate back to take effect as of the date the employee signed said written notice of change whether or not the employee be living at the time of the receipt of such written notice, but without prejudice to the Company on account of any payment made by it before receipt of such written notice.

In the event of the death of the beneficiary or beneficiaries last named by an employee prior to that of the employee, or if no beneficiary shall have

## Exhibit A—(Continued)

## Section B—(Continued)

been named, the indemnity for loss of life provided by the Accidental Death and Dismemberment Insurance under this Policy shall be paid to the executors or administrators of the employee, except that the Company may in such case, at its option, pay such insurance to the employee's wife or husband if living; if not living, to the children of such employee, equally; if none survive, to either the father or the mother of the employee or to both equally if both survive.

Assignment. No rights or benefits of any employee relating to Accidental Death and Dismemberment Insurance under this Policy shall be assignable. [B-1]

## Section C

Group Accident and Sickness Insurance  
Nonoccupational I

(Applicable Only to Employees Whose Employment  
Is Not Subject to the CUI Act)

Insuring Clause. If any employee, while insured for Accident and Sickness Insurance under this Policy, becomes wholly and continuously disabled by

(1) an accidental bodily injury which does not arise out of and in the course of any employment for wage or profit, or

(2) disease for which the employee is not entitled to a benefit under any Workman's Compensation Law or Act, Occupational Disease Law or Act or similar Law or Act, and

## Exhibit A—(Continued)

## Section C—(Continued)

is prevented from performing any and every duty of his occupation, the nonoccupational weekly benefit to which he is entitled as determined in accordance with the provision entitled "Amounts of Insurance" contained herein shall be payable to the employee while so disabled for that part of any one period of disability whether from one or more causes, which does not exceed twenty-six weeks (less any weeks immediately prior to or during such disability for which the employee was or is entitled to benefits under any unemployment compensation law or act), but no benefit shall be payable for the first three days of any such disability due to disease.

## Occupational

## (Applicable to All Employees)

Insuring Clause. If any employee while insured for Accident and Sickness Insurance under this Policy becomes wholly and continuously disabled by

(1) an accidental bodily injury which arises out of and in the course of any employment for wage or profit, or

(2) disease for which the employee is entitled to a benefit under any Workmen's Compensation Law or Act, Occupational Disease Law or Act or similar Law or Act, and is prevented from performing any and every duty of his occupation, the occupational weekly benefit

## Exhibit A—(Continued)

## Section C—(Continued)

to which he is entitled as determined in accordance with the provision entitled "Amounts of Insurance" contained herein shall be payable to the employee while so disabled for that part of any one period of disability whether from one or more causes, which does not exceed twenty-six weeks (less any weeks immediately prior to or during such disability for which the employee was or is entitled to benefits under any unemployment compensation law or act), but no benefit shall be payable for the first three days of any such disability due to disease.

Limitations under Nonoccupational I and Occupational. No benefit shall be payable

(a) for any period of disability during which the employee is not under treatment by a legally qualified physician, or

(b) for any period of disability caused by or resulting from pregnancy which term includes resulting childbirth or miscarriage, or

(c) for any period of disability for which the employee is entitled to benefits under any unemployment compensation law or act.

Successive periods of disability separated by less than two weeks of active work on full time shall be considered one period of disability unless the subsequent disability is due to an injury or disease entirely unrelated to the causes of the previous disability and commences after the employee has returned to active work on full time. [C-1]

## Exhibit A—(Continued)

## Section C—(Continued)

## Nonoccupational II

(Applicable Only to Employees whose Employment is Subject to the CUI Act and who are not insured for UCD Benefits under the Rider attached to this Policy)

Insuring Clause. Upon receipt of due proof by the Company, that any employee, while insured for Accident and Sickness Insurance under this Policy, has become disabled as a result of mental or physical illness or injury and is thereby prevented from performing his regular and customary work, the nonoccupational weekly benefit to which he is entitled as determined in accordance with the provision entitled "Amounts of Insurance" contained herein shall be payable to the employee while so disabled for that part of any one period of continuous disability whether from one or more causes, which does not exceed twenty-six weeks (less any weeks immediately prior to or during such disability for which the employee was or is entitled to unemployment benefits under any unemployment compensation law or act), but no benefit shall be payable for the first three days of any such disability due to disease; except that if the employee, within such three days, becomes confined as a registered bed patient in a hospital and thereby entitled to additional benefits during hospital confinement by virtue of Section 209 of the CUI Act, the benefit shall be payable commencing with the first day of such confinement.



Exhibit A—(Continued)

Section C—(Continued)

Limitations Under Nonoccupational II. No benefits shall be payable

(a) For any period for which the employee is entitled to receive benefits under any Workmen's Compensation or Employer's Liability Law or Act;

(b) for any period of disability for which the employee is entitled to receive unemployment benefits under any state or federal unemployment compensation law or act;

(c) for any disability which is not certified by a physician or surgeon, or by a dentist, chiropodist, osteopath, chiropractor or optometrist each acting within the scope of his practice, or by an authorized medical officer of any medical facility of the United States Government or by a religious practitioner accredited by a bona fide church, sect, denomination or organization;

(d) for disability caused by or arising in connection with a pregnancy unless such disability is compensable under the disability provision of the CUI Act.

Two consecutive periods of disability due to the same or related cause or condition and separated by a period of not more than fourteen days shall be considered as one continuous period of disability.

Assignment. No rights or benefits of any em-

## Exhibit A—(Continued)

## Section C—(Continued)

ployee relating to Accident and Sickness Insurance under this Policy shall be assignable. [C-2]

## Section D

Group Hospital Expense Insurance for Employees

Benefits in the Event of Hospitalization Resulting from Accidental Bodily Injury or Disease. If any employee, while insured for Hospital Expense Insurance under this Policy, is confined as herein-after provided in a legally constituted hospital, other than at federal government expense or in a facility owned or operated by the United States Government, as a result of

(1) an accidental bodily injury which does not arise out of and in the course of employment, or

(2) disease for which the employee is not entitled to a benefit under any Workmen's Compensation Law or Act, Occupational Disease Law or Act or similar Law or Act.

the following benefits are payable to an employee whose employment is not subject to the California Unemployment Insurance Act:

(a) a Benefit is an amount equal to the charges incurred during such confinement for board and room of the employee but not more than the amount obtained by multiplying the rate of Maximum Daily Benefit which is applicable to the employee in accordance with the provision entitled "Amounts of Insurance" con-

Exhibit A—(Continued)

Section D—(Continued)

tained herein by the number of days the employee is confined in the hospital; but in no event shall the total amount payable for all such charges incurred during any one continuous period of disability exceed a sum equal to one hundred and eighty times said rate of Maximum Daily Benefit; and

(b) a Benefit in an amount equal to the charges, except board and room charges; made by the hospital to the employee in connection with such confinement, together with any charge made by a physician for anaesthetics and the administration thereof; but in no event shall the total amount payable for all such charges incurred during any one continuous period of disability exceed a sum equal to twenty times said rate of Maximum Daily Benefit;

and the following benefits are payable to an employee whose employment is subject to the California Unemployment Insurance Act:

(c) a Benefit in an amount equal to the charges incurred during such confinement for board and room of the employee but not more than a maximum amount obtained by multiplying

(i) the rate of Maximum Daily Benefit which is applicable to the employee in accordance with the provision entitled "Amounts of Insurance" contained herein, by

## Exhibit A—(Continued)

## Section D—(Continued)

(ii) the number of days, not to exceed one hundred and eighty, during any one continuous period of disability, that the employee is confined in the hospital, provided, however, that if the employee is entitled to additional benefits during hospital confinement by virtue of Section 209 of the California Unemployment Insurance Act, the maximum benefit payable to such employee under this subdivision shall be the amount, if any, by which the benefit determined in accordance with (i) and (ii) above exceeds the amount determined by multiplying \$8.00 by the number of days of such period of confinement for which the employee is entitled to such additional benefit by virtue of said Section; and

(d) a Benefit in an amount equal to the charges, except board and room charges, made by the hospital to the employee in connection with such confinement, together with any charge made by a physician for anaesthetics and the administration thereof; but in no event shall the total amount payable for all such charges incurred during any one continuous period of disability exceed a sum equal to twenty times said rate of Maximum Daily Benefit.

The number of days that the employee is confined

## Exhibit A—(Continued)

## Section D—(Continued)

in the hospital shall be construed to be only the number of days for which the hospital charges for board and room.

If the employee is wholly disabled on the date his Hospital Expense Insurance for Employees under this Policy ceases and is confined as provided herein as a result of an accidental bodily injury or disease above described within three months after such date and during the continuance of such disability, the benefits shall be payable to the employee which would have been payable if such confinement had commenced while the employee was [D-1] insured.

**Maternity Benefit.** If any employee is confined as hereinafter provided in a legally constituted hospital as a result of pregnancy, which term includes resulting childbirth or miscarriage, while insured, or after the date the employee's Hospital Expense Insurance ceased if the pregnancy existed on the date the employee's Hospital Expense Insurance ceased, a Benefit is payable to the employee in an amount equal to the charges (except charges for nurse's room and board) made by the hospital to the employee in connection with such confinement, together with any charge made by a physician for anaesthetics and the administration thereof, but in no event shall the total amount payable for all such charges resulting from any one pregnancy exceed a sum equal to ten times the employee's rate of



## Exhibit A—(Continued)

## Section D—(Continued)

Maximum Daily Benefit determined in accordance with the provision entitled “Amounts of Insurance” contained herein; provided, however,

(1) if the Obstetrical Benefit described in the Section of this Policy entitled “Group Surgical Operation Expense Insurance for Employees” is also payable in connection with such pregnancy, the Maternity Benefit described herein together with said Obstetrical Benefit shall not exceed the Maximum Combined Hospital Maternity and Obstetrical Benefit shown in the provision entitled “Amounts of Insurance” contained herein; and

(2) that no benefits are payable to an employee whose pregnancy exists on the effective date of the employee’s insurance if such effective date is subsequent to July 31, 1950; except that, with respect to employees of an Employer to whom the Employees Hospital and Allied Lines Insurance would have been available on July 1, 1950, but for the inability of the Union and the Employer and the Company to arrange for enrollment of said employees prior to July 31, 1950, and whose Employer made a deduction for the cost of any other hospital expense plan from July 1, 1950, to the date such enrollment commences, no benefits are payable to such an employee whose pregnancy exists on the effective date of the employee’s

## Exhibit A—(Continued)

## Section D—(Continued)

insurance if such effective date is more than thirty-one days after the date such enrollment commences.

**Period of Confinement.** No minimum of hospital confinement is required because of a surgical operation, or as a result of accidental bodily injury requiring emergency care, or if a board and room charge is made; otherwise, hospital confinement must be for eighteen consecutive hours or longer.

**Limitations.** No payment shall be made for any charges incurred for board and room, or for any charges made for services, in connection with hospital confinement unless such confinement and services for which charges are made are recommended and approved by a legally qualified physician or surgeon.

Successive periods of hospital confinement due to the same or related accidental bodily injury or disease shall be considered as having occurred during one continuous period of disability unless complete recovery from such accidental bodily injuries or diseases which caused a previous period of hospital confinement has taken place before a subsequent period of hospital confinement commences, or unless the employee has returned to active work and has completed one day of active service before a subsequent period of hospital confinement [D-2] commences.

## Exhibit A—(Continued)

## Section E

Group Surgical Operation Expense Insurance  
for Employees

Benefit for an Operation Resulting from Accidental Bodily Injury or Disease. If any employee, while insured for Surgical Operation Expense Insurance under this Policy, undergoes a surgical operation specified in the Schedule of Surgical operations and Benefits contained in this Section as a result of

(1) an accidental bodily injury which does not arise out of and in the course of employment, or

(2) disease for which the employee is not entitled to a benefit under any Workmen's Compensation Law or Act, Occupational Disease Law or Act or similar Law or Act,

a benefit is payable to the employee in an amount equal to the surgical fees actually charged to the employee for the operation, but not in excess of the maximum payment specified for the operation in the applicable Schedule of Surgical Operations and Benefits.

If more than one of the above described operations is performed while the employee is insured hereunder, the aforesaid benefit shall be payable for each such operation, except that the total benefit payable for all operations which are not entirely unrelated to the bodily injuries sustained in any

## Exhibit A—(Continued)

## Section E—(Continued)

one accident or to the same disease and which are performed before the employee either completely recovers from such injuries or disease or returns to active work and completes one day of active service, shall not exceed the Maximum Surgical Benefit applicable to the employee provided, however, that if more than one operation is performed

(a) through the same abdominal incision, the total benefit payable for all such operations shall not exceed the maximum payment specified in said Schedule for that one of such operations for which the largest amount is payable; or

(b) on the anus or rectum, or both (except for cancer), at any one time, the total benefit payable for all such operations shall not exceed one and one-half times the maximum payment specified in said Schedule for that one of such operations for which the largest amount is payable.

If any employee is wholly disabled by an injury or disease as hereinbefore described on the date his Surgical Operation Expense Insurance for Employees under this Policy ceases and undergoes a surgical operation specified in said Schedule within three months after such date and during the continuance of such disability, a benefit which would have been payable if his insurance had not ceased shall be payable to the employee. [E-1]

## Exhibit A—(Continued)

## Section E—(Continued)

Obstetrical Benefit. If any female employee undergoes a surgical operation specified in the Schedule of Surgical Operations and Benefits under the heading "Obstetrical Procedures," while insured, or after the date her Surgical Operation Expense Insurance ceased if pregnancy existed on the date her Surgical Operation Expense Insurance ceased, the aforesaid benefit is payable to the employee; provided, however,

(1) if the Maternity Benefit described in the Section of this Policy entitled "Group Hospital Expense Insurance for Employees" is also payable in connection with such surgical operation, the Obstetrical Benefit described herein together with said Maternity Benefit shall not exceed the Maximum Combined Hospital Maternity and Obstetrical Benefit shown in the provision entitled "Amounts of Insurance" contained herein; and

(2) that no benefits are payable to an employee whose pregnancy exists on the effective date of the employee's insurance if such effective date is subsequent to July 31, 1950; except that with respect to employees of an Employer to whom the Employees Hospital and Allied Lines Insurance would have been available on July 1, 1950, but for the inability of the Union and the Employer and the Company to arrange for enrollment of said employees prior to July



Exhibit A—(Continued)

Section E—(Continued)

31, 1950, and whose Employer made a deduction for the cost of any other hospital expense plan from July 1, 1950, to the date such enrollment commences, no benefits are payable to such an employee whose pregnancy exists on the effective date of the employee's insurance if such effective date is more than thirty-one days after the date such enrollment commences.

Limitations. No payment shall be made for any operation

(a) not recommended, approved, and performed by a legally qualified physician or surgeon; or

(b) performed in a facility owned or operated by the United States Government, or elsewhere at federal government expense. [E-2]

Schedule of Surgical Operations and Benefits

(Applicable only to employees whose Maximum Surgical Benefit determined in accordance with the Schedule of Insurance is \$300.00)

Description of Operation	Maximum Payment
--------------------------	-----------------

Abdomen

Appendectomy, freeing of adhesions or surgical exploration of the abdominal cavity .....	\$150.00
--	----------

Removal of, or other operation on gall bladder .....	225.00
--	--------

## Exhibit A—(Continued)

## Section E—(Continued)

Description of Operation	Maximum Payment
Gastro-enterostomy .....	225.00
Resection of stomach, bowel or rectum..	300.00
Abscesses (See Tumors)	
Amputations	
Thigh, leg .....	187.50
Upper arm, forearm, entire hand or foot	150.00
Fingers or toes, each.....	22.50
Breast	
Removal of benign tumor or cyst requiring hospital confinement.....	75.00
Simple amputation .....	150.00
Radical amputation .....	225.00
Chest	
Complete thoracoplasty, transthoracic approach to stomach, diaphragm, or esophagus; sympathectomy or laryngectomy .....	300.00
Removal of lung or portion of lung....	300.00
Bronchoscopy, esophagoscopy .....	60.00
Induction of artificial pneumothorax, initial .....	37.50
Refills each (not more than 12).....	15.00
Dislocation, Reduction of	
Hip, ankle joint, elbow or knee joint (patella excepted) .....	52.50
Shoulder .....	37.50

## Exhibit A—(Continued)

## Section E—(Continued)

Description of Operation	Maximum Payment
Collar bone .....	30.00
Lower jaw, wrist or patella.....	22.50
For a dislocation requiring an open operation, the maximum will be twice the amount shown above.	
Excision or Fixation by Cutting	
Hip joint .....	225.00
Knee or elbow joint.....	187.50
Shoulder, semilunar cartilage, wrist or ankle joint .....	150.00
Removal of diseased portion of bone, including curettage (alveolar processes excepted) .....	75.00
Ear, Nose or Throat	
Fenestration, one or both ears.....	300.00
Mastoidectomy, one or both sides, simple radical .....	225.00
Tonsillectomy, adenoidectomy, or both..	50.00
Sinus operation by cutting (puncture of antrum excepted) .....	75.00
Submucous resection of nasal septum...	75.00
Tracheotomy .....	112.50
Any other cutting operation.....	22.50
Eye	
Operation for detached retina or corneal transplant .....	300.00

## Exhibit A—(Continued)

## Section E—(Continued)

Description of Operation	Maximum Payment
Cataract, removal of.....	225.00
Any other cutting operation into the eyeball (through the cornea or sclera) or cutting operation on eye muscles..	150.00
Removal of eyeball.....	112.50
Any other cutting operation on eyeball.	30.00
Fracture, Treatment of	
Thigh, vertebra or vertebrae, pelvis (coccyx excepted) .....	112.50
Leg, kneecap, upper arm, ankle (Potts)	75.00
Lower jaw (alveolar process excepted), collar bone, shoulder blade, forearm, wrist (Colles), skull .....	37.50
Hand, foot .....	22.50
Fingers or toes, each.....	15.00
Nose .....	15.00
Rib or ribs, three or more.....	37.50
fewer than three.....	15.00

The amounts shown above are for simple fractures.

For a compound fracture, the maximum will be one and one-half times the amount for the corresponding simple fracture.

For a fracture requiring an open operation, the maximum will be twice the amount for the corresponding simple fracture (bone

Exhibit A—(Continued)

Section E—(Continued)

Description of Operation	Maximum Payment
grafting or bone splicing or metallic fixation at point of fracture considered as open operation).	
Genito-Urinary Tract	
Removal of, or cutting into, kidney....	\$300.00
Fixation of kidney.....	225.00
Removal of tumors or stones in ureter or bladder	
By cutting operation.....	150.00
By endoscopic means.....	52.50
Cystoscopy .....	37.50
Removal of prostate by open operation.	225.00
Removal of prostate by endoscopic means .....	150.00
Circumcision .....	22.50
Varicocele, hydrocele, orchidectomy or epididymectomy, single .....	75.00
bilateral .....	112.50
Hysterectomy .....	225.00
Other cutting operations on uterus and its appendages with abdominal approach .....	150.00
Cervix amputation .....	75.00
Dilatation and curettage (non-puerperal), cervix cauterization or conization, polypectomy, or any combination of these .....	37.50



## Exhibit A—(Continued)

## Section E—(Continued)

Description of Operation	Maximum Payment
Vaginal plastic operation for, cystocele or rectocele .....	112.50
Cystocele and rectocele.....	150.00
Goitre	
Removal of thyroid, subtotal.....	225.00
Removal of adenoma or benign tumor of thyroid .....	150.00
Hernia	
Single hernia .....	150.00
More than one hernia.....	187.50
Joint	
Incision into, tapping excepted.....	37.50
Ligaments and Tendons	
Cutting or transplant, single.....	75.00
multiple .....	112.50
Suturing of tendon, single.....	52.50
multiple .....	75.00
Paracentesis	
Tapping .....	22.50
Pilonidal Cyst or Sinus	
Removal of .....	75.00
Rectum	
Hemorrhoidectomy, external .....	37.50
Internal, or internal and external....	75.00

## Exhibit A—(Continued)

## Section E—(Continued)

Description of Operation	Maximum Payment
Cutting operation for fissure.....	37.50
Cutting operation for thrombosed hem- orroids .....	22.50
Cutting operation for fistula in anus, single .....	75.00
multiple .....	112.50
Skull	
Cutting into cranial cavity (trephine excepted) .....	300.00
Trephine .....	37.50
Spine or Spinal Cord	
Operation for spinal cord tumor.....	300.00
Operation with removal of portion of Vertebra or veretbrae (except coccyx, transverse or spinous process).....	225.00
Removal of part or all of coccyx, or of transverse or spinous process.....	75.00
Tumors	
Cutting operation for removal of one or more benign or superficial tumors, cysts or abscesses:	
Requiring hospital confinement....	37.50
Not requiring hospital confinement.	15.00
Malignant tumors of face, lip or skin...	75.00
Varicose Veins	
Injection treatment, complete procedure, one or both legs.....	60.00
Cutting operation, complete procedure, one leg .....	75.00
Both legs .....	112.50

## Exhibit A—(Continued)

## Section E—(Continued)

Description of Operation	Maximum Payment
Obstetrical Procedures	
Delivery of child or children.....	100.00
Caesarean section .....	100.00
Abdominal operation for extra-uterine pregnancy .....	150.00
Miscarriage .....	37.50

Except for operations expressly excepted in the Schedule, the Company shall, subject to the terms and conditions of this Policy, determine a payment for any cutting operation not listed in the Schedule consistent with the payment for any listed operation of comparable difficulty and complexity, but in no event shall such payment exceed the applicable Maximum Surgical Benefit. [E-4]

## Section F

## Group Medical Expense Insurance for Employees

Medical Expense Benefits. If any employee receives medical treatment by a physician legally qualified to practice medicine, as a result of

(1) an accidental bodily injury which does not arise out of and in the course of employment, or

(2) disease for which the employee is not entitled to a benefit under any Workmen's

Exhibit A—(Continued)

Section F—(Continued)

Compensation Law or Act, Occupational Disease Law or Act or similar Law or Act.

a benefit is payable to the employee in an amount equal to the fees charged by the physician for each such treatment if received while the employee is insured, but not in excess of the applicable maximum payment per treatment specified in the provision entitled "Amounts of Insurance" contained herein; provided that no benefit shall be payable

(a) in excess of the Maximum Medical Benefit specified in said provision for all treatments received by the employee in connection with any one accident or any one disease (the phrase "any one disease" shall include a recurrence of the disease unless complete recovery has intervened); or

(b) for more than one treatment on any day; or

(c) for any treatment caused by or resulting from pregnancy, which term includes resulting childbirth or miscarriage; or

(d) for dental work or treatment, or for eye examinations or the fitting of glasses, or for X-rays, drugs, dressings or medicine; or

(e) for any treatment received in connection with and on or after the date of an operation or procedure for which a benefit is payable under the Section of this Policy providing Sur-

## Exhibit A—(Continued)

gical Operation Expense Insurance for Employees; or

(f) for any medical treatment for which a benefit is provided under the Sections of this Policy entitled "Group Hospital Expense Insurance for Employees" and "Group Laboratory and X-ray Examination Expense Insurance"; or

(g) for any treatment received in a facility owned or operated by the United States Government, or elsewhere at federal government expense.

If any employee is wholly disabled as a result of an injury or disease as hereinbefore described on the date his Medical Expense Insurance for Employees under this Policy ceases and is thereby prevented from performing any and every duty of his occupation and receives medical treatment by a physician legally qualified to practice medicine within three months after the date his insurance ceased and during the continuance of such disability, the benefit hereinbefore described shall be payable to the employee for such treatment, provided such benefit would have been payable if the employee's insurance had not ceased. [F-1]

## Section G

Group Laboratory and X-Ray Examination  
Expense Insurance for Employees

Laboratory and X-ray Examination Expense Benefits. If any employee receives a laboratory ex-



Exhibit A—(Continued)

Section G—(Continued)

amination or an X-ray examination specified in the Schedule of Laboratory and X-ray Examinations and Benefits contained herein and if such examination is made or recommended by a physician legally qualified to practice medicine in connection with a diagnosis of

(1) an accidental bodily injury which does not arise out of and in the course of employment, or

(2) a disease for which the employee is not entitled to a benefit under any Workmen's Compensation Law or Act, Occupational Disease Law or Act or similar Law or Act,

a benefit is payable to the employee in an amount equal to the fees actually charged to the employee for each such examination if received while the employee is insured, but not in excess of the maximum payment specified for such examination in said Schedule, except that if two or more of the examinations are received by an employee in connection with any one accident or any one disease (the phrase "any one disease" shall include a recurrence of the disease unless complete recovery has intervened), the total amount payable shall not exceed the Maximum Laboratory and X-ray Examination Expense Benefit specified in the provision entitled "Amounts of Insurance" contained herein; provided that no payment shall be made for

## Exhibit A—(Continued)

## Section G—(Continued)

(a) any examination received by an employee while confined in a hospital of the employee is entitled to any hospital expense benefits under the Section of this Policy providing Hospital Expense Insurance for Employees during such confinement; or

(b) any examination due to or resulting from pregnancy, which term includes resulting childbirth or miscarriage; or

(c) any dental X-ray examination unless it is the result of an accidental bodily injury which does not arise out of and in the course of employment; or

(d) any examination received from or in facilities owned or operated by the United States Government or elsewhere at federal government expense.

If any employee is wholly disabled as a result of an injury or disease hereinbefore described on the date his Laboratory and X-ray Examination Expense Insurance for Employees under this Policy ceases and is thereby prevented from performing any and every duty of his occupation and receives an examination hereinbefore described, made or recommended by a physician legally qualified to practice medicine within three months after the date his insurance ceased and during the continuance of such disability, the benefit hereinbefore described shall be payable to the employee for such examina-

## Exhibit A—(Continued)

## Section G—(Continued)

tion, provided such benefit would have been payable if the employee's insurance had not ceased. [G-1]

Description of	Maximum
X-ray Examination	Payment
Abdomen or organs therein (unless otherwise specified in the Schedule.....	\$10.00
Arm or leg.....	5.00
Chest (heart and lungs).....	10.00
Gall bladder, kidney, ureter, or bladder—dye method.....	15.00
Gastrointestinal series—barium meal.....	25.00
Head (skull or sinuses).....	10.00
Joints (shoulder, knee, elbow, ankle, wrist, hands, or feet).....	5.00
Pelvis .....	10.00

Description of	Maximum
Laboratory Examination	Payment
Basal Metabolism Test.....	\$ 5.00
Electrocardiogram .....	7.50
Hinton, Kahn, or Kline Test (one or more types at one time to be considered one examination .....	3.00
Malaria smear.....	2.00
Sputum Test.....	2.00
Sugar determinations, blood and urine (one of each).....	5.00
Sugar Tolerance (three or more blood and urine determinations).....	10.00
Wassermann Test.....	5.00

## Exhibit A—(Continued)

## Section G—(Continued)

The Company shall determine a consistent payment for any laboratory or X-ray examination not covered in this Schedule unless payment for the examination is expressly excepted by the other terms of this Section of the Policy; provided, however, that such payment may be less than the smallest maximum payment listed but such payment shall in no event exceed the largest maximum payment listed. [G-2]

## Section H

Group Supplemental Accident Expense  
Insurance for Employees

Accident Benefit. If any employee, while insured for Supplemental Accident Expense Insurance for Employees under this Policy, suffers an accidental bodily injury which does not arise out of and in the course of employment and, within seven months of the date of the accident, incurs on account of such injury expense because of

(a) charges of a legally qualified physician or surgeon for medical or surgical treatment, or

(b) charges by a legally constituted hospital for confinement therein, or

(c) charges for laboratory or X-ray examinations, or

(d) charges for the services of a registered nurse,

which treatment, confinement, examination or serv-

**Exhibit A—(Continued)**

ices are received upon the recommendation and approval of and while under the regular care and treatment of a physician or surgeon legally qualified to practice medicine, a benefit is payable to the employee in an amount, not to exceed the Maximum Supplemental Accident Expense Benefit specified in the provision entitled "Amounts of Insurance" contained herein for any one accident, equal to that part of such charges which is in excess of the amount payable under this Policy to the employee for all other benefits for such expense; provided, however, that no benefit shall be payable for any such care and services received in facilities owned or operated by the United States Government or elsewhere at federal government expense. [H-1]

**Section M****Group Hospital Expense Insurance for Dependents**

Benefits in the Event of Hospitalization Resulting from Accidental Bodily Injury or Disease. If any dependent of an employee, while insured for Hospital Expense Insurance under this Policy, is confined as hereinafter provided in a legally constituted hospital as a result of

(1) an accidental bodily injury which does not arise out of and in the course of employment, or

(2) disease for which the dependent is not entitled to a benefit under any Workmen's



## Exhibit A—(Continued)

## Section M—(Continued)

Compensation Law or Act, Occupational Disease Law or Act or similar Law or Act, the following benefits are payable to the employee:

(a) a Benefit in an amount equal to the charges incurred during such confinement for board and room of the dependent but not more than the amount obtained by multiplying the rate of Maximum Daily Benefit which is applicable to the dependent in accordance with the provision entitled "Amounts of Insurance" contained herein by the number of days the dependent is confined in the hospital; but in no event shall the total amount payable for all such charges incurred during any one continuous period of disability exceed a sum equal to one hundred and eighty times said rate of Maximum Daily Benefit; and

(b) a Benefit in an amount equal to the charges, except board and room charges, made by the hospital to the employee in connection with such confinement, together with any charge made by a physician for anaesthetics and the administration thereof; but in no event shall the total amount payable for all such charges incurred during any one continuous period of disability exceed a sum equal to twenty times said rate of Maximum Daily Benefit.

The number of days that a dependent is confined

## Exhibit A—(Continued)

## Section M—(Continued)

in the hospital shall be construed to be only the number of days for which the hospital charges for board and room.

If any dependent of an employee is wholly disabled on the date the dependent's Hospital Expense Insurance under this Policy ceases and is confined as provided herein as a result of an accidental bodily injury or disease above described within three months after such date and during the continuance of such disability, the benefits shall be payable to the employee which would have been payable if such confinement had commenced while the dependent was insured. [M-1]

**Maternity Benefit.** If the wife, while a dependent of an employee, is confined as hereinafter provided in a legally constituted hospital as a result of pregnancy, which term includes resulting childbirth or miscarriage, while insured, or after the date her Hospital Expense Insurance ceased if the pregnancy existed on the date such insurance ceased, a benefit is payable to the employee in an amount equal to the charges (except charges for nurse's board and room) made by the hospital to the employee in connection with such confinement, together with any charge made by a physician for anaesthetics and the administration thereof, but in no event shall the total amount payable for all such charges resulting from any one pregnancy exceed a sum equal to ten times the rate of Maximum Daily Benefit applicable

## Exhibit A—(Continued)

## Section M—(Continued)

to such dependent in accordance with the provision entitled “Amounts of Insurance” contained herein; provided, however,

(1) if the Obstetrical Benefit described in the section of this Policy entitled “Group Surgical Operation Expense Insurance for Dependents” is also payable in connection with such pregnancy, the Maternity Benefit described herein together with said Obstetrical Benefit shall not exceed the Maximum Combined Hospital Maternity and Obstetrical Benefit shown in the provision entitled “Amounts of Insurance” contained herein; and

(2) that no benefit is payable if pregnancy exists on the effective date of her insurance if such effective date is subsequent to July 31, 1950; except that, with respect to the dependents of employees of an Employer to whom the Dependents Hospital and Allied Lines Insurance would have been available on July 1, 1950, but for the inability of the Union and the Employer and the Company to arrange for enrollment of said employees prior to July 31, 1950, no benefit is payable if pregnancy exists on the effective date of her insurance if such effective date is more than thirty-one days after the date such enrollment commences.

Period of Confinement. No minimum period of hospital confinement is required because of a surgi-

Exhibit A—(Continued)

Section M—(Continued)

cal operation, or as a result of accidental bodily injury requiring emergency care, or if a board and room charge is made; otherwise hospital confinement must be for eighteen consecutive hours or longer.

Limitations. No payment shall be made for any charges incurred for board and room, or for any charges made for services, in connection with hospital confinement

(a) unless such confinement and services for which charges are made are recommended and approved by a legally qualified physician or surgeon; or

(b) unless the age and status of the dependent on the date such confinement commences is within the age limits and classes set forth in the definition of dependents contained herein; or

(c) unless such confinement commences after the dependent becomes insured for Hospital Expense Insurance for Dependents under this Policy.

Successive periods of hospital confinement due to the same or related bodily injury or disease shall be considered as having occurred during one continuous period of disability unless complete recovery from the accidental bodily injuries or diseases which caused a previous period of hospital confinement has taken place before a subsequent period of hospital confinement commences. [M-2]

## Section N

Group Surgical Operation Expense Insurance  
for Dependents

Benefit for an Operation Resulting from Accidental Bodily Injury or Disease. If any dependent of an employee, while insured for Surgical Operation Expense Insurance under this Policy, undergoes a surgical operation specified in the Schedule of Surgical Operations and Benefits contained in this Section, as a result of

(1) an accidental bodily injury which does not arise out of and in the course of employment, or

(2) disease for which the dependent is not entitled to a benefit under any Workmen's Compensation Law or Act, Occupational Disease Law or Act or similar Law or Act,

a benefit is payable to the employee in an amount equal to the surgical fees actually charged for the operation, but not in excess of the maximum payment specified for the operation in the applicable Schedule of Surgical Operations and Benefits.

If more than one of the above-described operations is performed while the dependent is insured hereunder, the aforesaid benefit shall be payable for each such operation, except that the total benefit payable for all operations which are not entirely unrelated to the bodily injuries sustained in any one accident or to the same disease and which are performed before the dependent completely recovers



Exhibit A—(Continued)

Section N—(Continued)

from such injuries or disease shall not exceed the Maximum Surgical Benefit applicable to the dependent; provided, however, that if more than one operation is performed

(a) through the same abdominal incision, the total benefit payable for all such operations shall not exceed the maximum payment specified in said Schedule for that one of such operations for which the largest amount is payable; or

(b) on the anus or rectum, or both, (except for cancer) at any one time, the total benefit payable for all such operations shall not exceed one and one-half times the maximum payment specified in said Schedule for that one of such operations for which the largest amount is payable.

If any dependent is wholly disabled by an injury or disease as hereinbefore described on the date the dependent's Surgical Operation Expense Insurance under this Policy ceases and undergoes a surgical operation specified in said Schedule within three months after such date and during the continuance of such disability, a benefit which would have been payable if his insurance had not ceased shall be payable to the employee. [N-1]

**Obstetrical Benefit.** If the wife, while a dependent of an employee, undergoes a surgical operation specified in the Schedule of Surgical Operations and

## Exhibit A—(Continued)

## Section N—(Continued)

Benefits contained herein under the heading “Obstetrical Procedures,” while insured, or after the date her Dependents Surgical Operation Expense Insurance ceased if pregnancy existed on the date such insurance ceased, the aforesaid benefit is payable to the employee; provided, however,

(1) if the Maternity Benefit described in the section of this Policy entitled “Group Hospital Expense Insurance for Dependents” is also payable in connection with such surgical operation, because of such surgical operation, the Obstetrical Benefit described herein together with said Maternity Benefit shall not exceed the Maximum Combined Hospital, Maternity and Obstetrical Benefit shown in the provision entitled “Amounts of Insurance” contained herein; and

(2) that no benefit is payable if pregnancy exists on the effective date of her insurance if such effective date is subsequent to July 31, 1950; except that, with respect to the dependents of employees of an Employer to whom the Dependents Hospital and Allied Lines Insurance would have been available on July 1, 1950, but for the inability of the Union and the Employer and the Company to arrange for enrollment of said employees prior to July 31, 1950, no benefit is payable if pregnancy exists on the effective date of her insurance if such effective

## Exhibit A—(Continued)

## Section N—(Continued)

date is more than thirty-one days after the date such enrollment commences.

Limitations. No payment shall be made for any operation

(a) not recommended, approved, and performed by a legally qualified physician or surgeon; or

(b) unless the age and status of the dependent on the date the operation is performed is within the age limits and classes set forth in the definition of dependents contained [N-2] herein.

## Schedule of Surgical Operations and Benefits

(Applicable only to dependents whose Maximum Surgical Benefit determined in accordance with the Schedule of Insurance is \$300.00)

Description of Operation	Maximum Payment
Abdomen	
Appendectomy, freeing of adhesions or surgical exploration of the abdominal cavity .....	\$150.00
Removal of, or other operation on gall Bladder .....	225.00
Gastro-enterostomy .....	225.00
Resection of stomach, bowel or rectum.	300.00
Abscesses (See Tumors)	
Amputations	
Thigh, leg .....	187.50

## Exhibit A—(Continued)

## Section N—(Continued)

Description of Operation	Maximum Payment
Upper arm, forearm, entire hand or foot	150.00
Fingers or toes, each . . . . .	22.50
Breast	
Removal of benign tumor or cyst requiring hospital confinement . . . . .	75.00
Simple amputation . . . . .	150.00
Radical amputation . . . . .	225.00
Chest	
Complete thoracoplasty, transthoracic approach to stomach, diaphragm, or esophagus, sympathectomy or laryngectomy . . . . .	300.00
Removal of lung or portion of lung . . . . .	300.00
Bronchoscopy, esophagoscopy . . . . .	60.00
Induction of artificial pneumothorax, initial . . . . .	37.50
Refills each (not more than 12)	15.00
Dislocation, Reduction of	
Hip, ankle joint, elbow or knee joint (patella excepted) . . . . .	52.50
Shoulder . . . . .	37.50
Collar bone . . . . .	30.00
Lower jaw, wrist or patella . . . . .	22.50
For a dislocation requiring an open operation, the maximum will be twice the amount shown above.	

## Exhibit A—(Continued)

## Section N—(Continued)

Description of Operation	Maximum Payment
Excision or Fixation by Cutting	
Hip joint .....	225.00
Knee or elbow joint .....	187.50
Shoulder, semilunar cartilage, wrist or ankle joint .....	150.00
Removal of diseased portion of bone, including curettage (alveolar processes excepted) .....	75.00
Ear, Nose or Throat	
Fenestration, one or both ears .....	300.00
Mastoidectomy, one or both sides, simple .....	150.00
radical .....	225.00
Tonsillectomy, adenoidectomy, or both	50.00
Sinus operation by cutting (puncture of antrum excepted) .....	75.00
Submucous resection of nasal septum .	75.00
Tracheotomy .....	112.50
Any other cutting operation .....	22.50
Eye	
Operation for detached retina or corneal transplant .....	300.00
Cataract, removal of .....	225.00
Any other cutting operation into the eyeball (through the cornea or sclera) or cutting operation on eye muscles .....	150.00



## Exhibit A—(Continued)

## Section N—(Continued)

Description of Operation	Maximum Payment
Removal of eyeball .....	112.50
Any other cutting operation on eyeball	30.00
Fracture, Treatment of	
Thigh, vertebra or vertebrae, pelvis (coccyx excepted) .....	112.50
Leg, kneecap, upper arm, ankle (Potts) .....	75.00
Lower jaw (alveolar process excepted), collar bone, shoulder blade, forearm, wrist (Colles), skull .....	37.50
Hand, foot .....	22.50
Fingers or toes, each .....	15.00
Nose .....	15.00
Rib or ribs, three or more .....	37.50
fewer than three .....	15.00

The amounts shown above are for simple fractures.

For a compound fracture, the maximum will be one and one-half times the amount for the corresponding simple fracture.

For a fracture requiring an open operation, the maximum will be twice the amount for the corresponding simple fracture (bone grafting or bone splicing or metallic fixation at point of fracture considered as open operation).

## Exhibit A—(Continued)

## Section N—(Continued)

Description of Operation	Maximum Payment
Genito-Urinary Tract	
Removal of, or cutting into, kidney . . .	\$300.00
Fixation of kidney . . . . .	225.00
Removal of tumors or stones in ureter or bladder	
By cutting operation . . . . .	150.00
By endoscopic means . . . . .	52.50
Cystoscopy . . . . .	37.50
Removal of prostate by open operation	225.00
Removal of prostate by endoscopic means . . . . .	150.00
Circumcision . . . . .	22.50
Varicocele, hydrocele, orchidectomy or epididymectomy, single . . . . .	75.00
bilateral . . . . .	112.50
Hysterectomy . . . . .	225.00
Other cutting operations on uterus and its appendages with abdominal ap- proach . . . . .	150.00
Cervix amputation . . . . .	75.00
Dilatation and curettage (non-puer- peral), cervix cauterization or coni- zation, polypectomy, or any combi- nation of these . . . . .	37.50
Vaginal plastic operation for, cystocele or rectocele . . . . .	112.50
Cystocele and rectocele . . . . .	150.00
	[N-3]

## Exhibit A—(Continued)

## Section N—(Continued)

Description of Operation	Maximum Payment
Goitre	
Removal of thyroid, subtotal . . . . .	225.00
Removal of adenoma or benign tumor of thyroid . . . . .	150.00
Hernia	
Single hernia . . . . .	150.00
More than one hernia . . . . .	187.50
Joint	
Incision into, tapping excepted . . . . .	37.50
Ligaments and Tendons	
Cutting or transplant, single . . . . .	75.00
multiple . . . . .	112.50
Suturing of tendon, single . . . . .	52.50
multiple . . . . .	75.00
Paracentesis	
Tapping . . . . .	22.50
Pilonidal Cyst or Sinus	
Removal of . . . . .	75.00
Rectum	
Hemorrhoidectomy, external . . . . .	37.50
Internal, or internal and external	75.00
Cutting operation for fissure . . . . .	37.50
Cutting operation for thrombosed hem- orrhoids . . . . .	22.50
Cutting operation for fistula in anus, single . . . . .	75.00
multiple . . . . .	112.50

## Exhibit A—(Continued)

## Section N—(Continued)

Description of Operation	Maximum Payment
Skull	
Cutting into cranial cavity (trephine excepted) .....	300.00
Trephine .....	37.50
Spine or Spinal Cord	
Operation for spinal cord tumor .....	300.00
Operation with removal of portion of vertebra or vertebrae (except coccyx, transverse or spinous process) .....	225.00
Removal of part or all of coccyx, or of transverse or spinous process .....	75.00
Tumors	
Cutting operation for removal of one or more benign or superficial tumors, cysts or abscesses:	
Requiring hospital confinement ..	37.50
Not requiring hospital confinement	15.00
Malignant tumors of face, lip or skin	75.00
Varicose Veins	
Injection treatment, complete procedure, one or both legs .....	60.00
Cutting operation, complete procedure, one leg .....	75.00
Both legs .....	112.50
Obstetrical Procedures	
Delivery of child or children .....	100.00
Caesarean section .....	100.00

## Exhibit A—(Continued)

## Section N—(Continued)

Description of Operation	Maximum Payment
Abdominal operation for extra-uterine pregnancy .....	150.00
Miscarriage .....	37.50

Except for operations expressly excepted in the Schedule, the Company shall, subject to the terms and conditions of this Policy, determine a payment for any cutting operation not listed in the Schedule consistent with the payment for any listed operation of comparable difficulty and complexity, but in no event shall such payment exceed the applicable Maximum Surgical Benefit. [N-4]

## Section P

Group Medical Expense Insurance for Dependents  
(Applicable to dependents of all employees)

Medical Expense Benefits. If any dependent of an employee receives medical treatment by a physician legally qualified to practice medicine, during the days of a period of hospital confinement for which daily benefits are payable under the Section of this Policy providing Hospital Expense Insurance for Dependents, a benefit is payable to the employee in an amount equal to the fees charged by the physician for each such treatment if received while the dependent is insured but not more than the amount obtained by multiplying the applicable rate of medical benefit specified in the provision entitled "Amounts of Insurance" contained herein by



## Exhibit A—(Continued)

## Section P—(Continued)

the number of days in such period of hospital confinement for which daily benefits are payable as described in the Section of this Policy entitled "Group Hospital Expense Insurance for Dependents," exclusive of any such days commencing with the date of an operation or procedure for which a benefit is payable under the Section of this Policy providing Surgical Operation Expense Insurance for Dependents and ending with the day on which the last treatment is received in connection therewith, but in no event shall the total amount payable for all treatments received during any one continuous period of disability exceed a sum equal to one hundred and eighty times said rate of medical benefit; provided that no benefit shall be payable for

(a) any treatment caused by or resulting from pregnancy, which term includes resulting childbirth or miscarriage; or

(b) dental work or treatment, or eye examinations or the fitting of glasses, or X-rays, drugs, dressings or medicine; or

(c) any treatment received in connection with and on or after the date of a surgical operation or procedure for which a benefit is payable under the Section of this Policy providing Surgical Operation Expense Insurance for Dependents; or

(d) any medical treatment for which a benefit is provided under the Sections of this Policy

## Exhibit A—(Continued)

## Section P—(Continued)

entitled "Group Hospital Expense Insurance for Dependents" and "Laboratory and X-Ray Examination Expense Insurance."

If any dependent of an employee is wholly disabled on the date the dependent's Medical Expense Insurance under this Policy ceases and receives medical treatment by a physician legally qualified to practice medicine, during the days of a period of hospital confinement, for which daily benefits are payable under the Section of this Policy providing Hospital Expense Insurance for Dependents which commences within three months after such date and during the continuance of such disability, the benefit hereinbefore described shall be payable to the employee for such treatment, provided such benefit would have been payable if the dependent's insurance had not ceased.

Treatments received during successive periods of hospital confinement shall be considered as having been received during one continuous period of disability unless complete recovery from the accidental bodily injury or disease which caused the previous period of hospital confinement has taken place before the subsequent period of hospital confinement commences, or unless the subsequent period of hospital confinement is due to an accidental bodily injury or disease entirely unrelated to the accidental bodily injury or disease which caused the previous period of hospital confinement. [P-1]

Exhibit A—(Continued)

Section Q

Group Laboratory and X-Ray Examination

Expense Insurance for Dependents

Laboratory and X-ray Examination Expense Benefits. If any dependent of an employee receives a laboratory examination or an X-ray examination specified in the Schedule of Laboratory and X-ray Examinations and Benefits contained herein and if such examination is made or recommended by a physician legally qualified to practice medicine in connection with a diagnosis of

(1) an accidental bodily injury which does not arise out of and in the course of employment, or

(2) a disease for which the dependent is not entitled to a benefit under any Workmen's Compensation Law or Act, Occupational Disease Law or Act or similar Law or Act,

a benefit is payable to the employee in an amount equal to the fees actually charged for each such examination if received while the dependent is insured, but not in excess of the maximum payment specified for such examination in said Schedule, except that if two or more of the examinations are received by the dependent in connection with any one accident or any one disease (the phrase "any one disease" shall include a recurrence of the disease unless complete recovery has intervened), the total amount payable shall not exceed the Maximum Laboratory and X-ray Expense Benefit specified in the provision entitled "Amounts of Insurance"

## Exhibit A—(Continued)

## Section Q—(Continued)

contained herein; provided that no payment shall be made for

(a) any examination received by a dependent while confined in a hospital if the dependent is entitled to any hospital expense benefits under the Section of this Policy providing Hospital Expense Insurance for Dependents during such confinement; or

(b) any examination due to or resulting from pregnancy, which term includes resulting childbirth or miscarriage; or

(c) any dental X-ray examination unless it is the result of an accidental bodily injury which does not arise out of and in the course of employment.

If any dependent of an employee is wholly disabled as a result of an injury or disease as hereinbefore described on the date the dependent's Laboratory and X-ray Expense Insurance under this Policy ceases and is thereby prevented from performing his usual activities, and receives an examination hereinbefore described, made or recommended by a physician legally qualified to practice medicine, within three months after the date his insurance ceased and during the continuance of such disability, the benefit hereinbefore described shall be payable to the employee for such examination, provided such benefit would have been payable if the dependent's insurance had not ceased. [Q-1]

## Exhibit A—(Continued)

## Section Q—(Continued)

Schedule of Laboratory and X-ray Examinations  
and Benefits

Description of X-Ray Examination	Maximum Payment
Abdomen or organs therein (unless otherwise specified in this Schedule) .....	\$10.00
Arm or leg .....	5.00
Chest (heart and lungs) .....	10.00
1 bladder, kidney, ureter, or bladder— dye method .....	15.00
Gastrointestinal series—barium meal .....	25.00
Head (skull or sinuses) .....	10.00
Joints (shoulder, knee, elbow, ankle, wrist, hands, or feet) .....	5.00
Pelvis .....	10.00
Description of Laboratory Examination	Maximum Payment
Basal Metabolism Test .....	\$ 5.00
Electrocardiogram .....	7.50
Hinton, Kahn, or Kline Test (one or more types at one time to be considered one examination) .....	3.00
Malaria smear .....	2.00
Sputum Test .....	2.00
Sugar determinations, blood and urine (one of each) .....	5.00
Sugar Tolerance (three or more blood and urine determinations) .....	10.00
Wassermann Test .....	5.00



## Exhibit A—(Continued)

The Company shall determine a consistent payment for any laboratory or X-ray examination not covered in this Schedule unless payment for the examination is expressly excepted by the other terms of this section of the Policy; provided, however, that such payment may be less than the smallest maximum payment listed but such payment shall in no event exceed the largest maximum payment listed. [Q-2]

Section T  
General Provisions

Definitions. For the purpose of this Policy,

(1) an “Employer” shall be construed to mean each individual employer covered by collective bargaining agreement with a local of the IWA-CIO—Northwest Region providing Health and Welfare Benefits under the IWA Health and Welfare program or each Local Union or District Council in the IWA-CIO—Northwest Region, or the International Woodworkers of America—CIO;

(2) an “employee” shall be construed to mean a person who is employed by an Employer including the individual proprietors or partners where the Employer is an individual proprietor or partner;

(3) a “full-time employee” shall be construed to mean an employee whose regular working schedule with one Employer equals or exceeds twenty hours per week;

(4) “Basic Insurance” shall be construed to mean Life Insurance and Accidental Death and

Exhibit A—(Continued)

Section T—(Continued)

Dismemberment Insurance and Accident and Sickness Insurance (Non-occupational I and Occupational Benefits) provided under this Policy;

(5) "CUI Act" shall be construed to mean the California Unemployment Insurance Act;

(6) "UCD Benefits" shall be construed to mean Unemployment Compensation Disability Benefits provided in compliance with the CUI Act;

(7) "California Basic Insurance" shall be construed to mean Life Insurance and Accidental Death and Dismemberment Insurance and Accident and Sickness Insurance (Occupational Benefits and UCD Benefits) provided under this Policy and any Riders attached thereto;

(8) "Limited California Basic Insurance" shall be construed to mean Life Insurance and Accidental Death and Dismemberment Insurance and Accident and Sickness Insurance (Nonoccupational II and Occupational Benefits) provided under this Policy;

(9) "Employees Hospital and Allied Lines Insurance" shall be construed to mean Hospital Expense Insurance for Employees, Surgical Operation Expense Insurance for Employees, Medical Expense Insurance for Employees, Laboratory and X-Ray Examination Expense Insurance for Employees, and Supplemental Accident Expense Insurance for Employees provided under this Policy;

(10) "Dependents Hospital and Allied Lines Insurance" shall be construed to mean Hospital

## Exhibit A—(Continued)

## Section T—(Continued)

Expense Insurance for Dependents, Surgical Operation Expense Insurance for Dependents, Medical Expense Insurance for Dependents, and Laboratory and X-Ray Examination Expense Insurance for Dependents provided under this Policy;

(11) a “dependent” shall be construed to mean only each child of an employee during the period such child is over fourteen days of age but under nineteen years of age and unmarried, or the wife of an employee, none of whom is insured under this Policy as an employee or eligible to receive any benefits hereunder as the result of a disability existing when such insurance terminated;

(12) the “premium due date” shall be construed to mean the date on which the premium for all insurance under the Policy is due the Company and, when used with respect to an individual employee, shall mean the date on which the premium for the insurance of such employee under the Policy is due the Company. [T-1]

Eligible Class of Employees. The eligible class of employees shall include

(a) each full-time employee, if the work of such employee is covered by a Collective Bargaining Agreement of an Employer with a Local of the IWA-CIO—Northwest Region providing Health and Welfare Benefits under the IWA-Health and Welfare Program; and

(b) each full-time employee not included in

## Exhibit A—(Continued)

## Section T—(Continued)

subdivision (a) above, if his Employer by agreement with the Union makes insurance provided under this policy available to such full-time employees and such insurance is in force.

Insurance Available for an Employee in the Eligible Class. Basic Insurance, California Basic Insurance, Limited California Basic Insurance, Employees' Hospital and Allied Lines Insurance, whichever is applicable, shall be available for an employee included in (a) of the provision entitled "Eligible Class of Employees" in accordance with Table I below provided his Employer forwards to the Company the amount subject to the Collective Bargaining Agreement of his Employer with a local of the IWA-CIO—Northwest Region providing health and welfare benefits under the IWA Health and Welfare Program and provided his Employer is not entitled to or does not in fact deduct from such amounts the cost of any insurance except as permitted in such table.

Basic Insurance, California Basic Insurance, Limited California Basic Insurance, Employees' Hospital and Allied Lines Insurance, whichever is applicable, shall be available for an employee included in (b) of the provision entitled "Eligible Class of Employees" in accordance with Table I below provided that with respect to the insurance applicable (1) at least 75% of such employees of his Employer have made the required written appli-

## Exhibit A—(Continued)

## Section T—(Continued)

cation and wage deduction authorizations; and (2) the amount required in accordance with the Special Administrative Provisions of such employee has been paid; and (3) such employee has made the required written application and wage deduction authorization.

Dependents Hospital and Allied Lines Insurance shall be available for an employee included in (a) of the provision entitled "Eligible Class of Employees" in accordance with Table I below provided that (1) at least 75% of such employees with dependents made the required written application and wage deduction authorizations for such insurance; and (2) the required premium for such insurance of such an employee has been paid to the Company; and (3) such employee has made the required written application and wage deduction authorization.

Dependents Hospital and Allied Lines Insurance shall be available for an employee included in (a) of the provision entitled "Eligible Class of Employees" in accordance with Table I below provided that (1) at least 75% of such employees of his Employer with dependents have made the required written application and wage deduction authorizations for such insurance; and (2) the required premium for such insurance of such an employee has been paid to the Company; and (3) such employee has made the required written application and wage deduction authorization. [T-2]



Exhibit A—(Continued)

Section T—(Continued)

Table I

Basic Insurance

To Whom Available

An employee whose employment is not subject to the CUI Act.

Permissible Insurance Cost Deductions

The cost of insurance for another hospital insurance plan.

California Basic Insurance

To Whom Available

An employee whose employment is subject to the CUI Act and who is not insured by the California Unemployment Disability Fund or any Voluntary Plan as defined in the CUI Act other than the Rider to this Policy.

Permissible Insurance Cost Deductions

The cost of insurance for another hospital insurance plan.

Limited California Basic Insurance

To Whom Available

An employee whose employment is subject to the CUI Act and who is insured by the California Unemployment Disability Fund or any Voluntary Plan as defined in CUI Act other than the Rider to this Policy.

Permissible Insurance Cost Deductions

The cost of insurance for another hospital

## Exhibit A—(Continued)

## Section T—(Continued)

expense insurance plan and the amounts required to be paid for UCD Benefits provided by Unemployment Compensation Disability Fund or any Voluntary Plan as defined in the CUI Act other than the Rider to this Policy.

Employees Hospital and Allied  
Lines Insurance

## To Whom Available

An employee who is insured for one of the above basic insurances and who is a member of the class of employees of one Employer which class the Union has informed the Company in writing shall be insured for Employees Hospital and Allied Lines Insurance.

## Permissible Insurance Cost Deductions

The amount required to be paid for UCD Benefits provided by Unemployment Compensation Disability Fund or any Voluntary Plan as defined in the CUI Act other than the Rider to this Policy.

Dependents Hospital and Allied  
Lines Insurance

## To Whom Available

An employee who is insured for Employees Hospital and Allied Lines Insurance.

## Permissible Insurance Cost Deductions

The amount required to be paid for UCD Benefits provided by Unemployment Compens-

Exhibit A—(Continued)

Section T—(Continued)

sation Disability Fund or any Voluntary Plan as defined in the CUI Act other than the Rider to this Policy. [T-3]

Eligibility of Dependents. Each person who is a dependent of an employee to whom Dependents Hospital and Allied Lines Insurance is available on July 1, 1950, shall become eligible for such insurance coverages on said date.

Each person who is a dependent of an employee to whom Dependents Hospital and Allied Lines Insurance becomes available after July 1, 1950, shall become eligible for such insurance on the date such insurance coverages become available to the employee.

Each person who becomes a dependent of an employee after the date the Dependents Hospital and Allied Lines Insurance becomes available to the employee shall become eligible for such insurance on the date he becomes a dependent of the employee.

Effective Dates of Individual Insurance of Dependents. The Dependents Hospital and Allied Lines Insurance of an eligible dependent of an employee shall become effective on the latest of the following dates:

- (a) July 1, 1950;
- (b) the date the Employees Hospital Expense and Allied Lines Insurance of the employee becomes effective;
- (c) the date the employee makes written application and wage deduction authorization

## Exhibit A—(Continued)

## Section T—(Continued)

to insure his eligible dependents under this Policy for Dependents Hospital and Allied Lines Insurance.

An employee who has at least one insured dependent under this Policy shall not be required to make written application to insure additional dependents as each such additional dependent shall be automatically insured under this Policy on the date the additional dependent becomes eligible for insurance under this Policy.

An employee who makes written application and wage deduction authorization to insure his dependents more than thirty-one days after the date the dependents became eligible for insurance and an employee who reapplies for insurance after the insurance of his dependents has ceased for failure to make the required premium contribution may be required to furnish evidence of insurability, for each such dependent, satisfactory to the Company and without expense to it, before the insurance of any of his dependents shall become effective.

When an employee is required to furnish evidence of insurability of a dependent, the insurance of such dependent shall become effective on the date of approval by the Company at its Home Office of such evidence of insurability, provided the employee is then insured under the Policy. [T-5]

Discontinuance of Individual Insurance of Employees. Subject to the provision entitled "Waiver

## Exhibit A—(Continued)

## Section T—(Continued)

of Premium Benefit in the Event of Permanent and Total Disability'' contained in the Section of this Policy providing Group Life Insurance, and except as may be otherwise provided in the Rider attached hereto with respect to Unemployment Compensation Disability Benefits Insurance for Employees whose employment is subject to the California Unemployment Insurance Act, all insurance for which an employee is insured or any of either Basic Insurance, California Basic Insurance, Limited California Basic Insurance, or Employees Hospital and Allied Lines Insurance which may be available to the employee separately shall cease automatically on the earliest date set forth below:

(a) the date of termination of employment of an employee, which for the purposes of insurance shall be

(1) the last day of the sixth policy month following the policy month in which the employee ceases to actively work with an Employer, or the date of expiration of the period for which the employee is entitled to Accident and Sickness benefits under this Policy (or Unemployment Compensation Disability Benefits Insurance if applicable) whichever is later, unless during either period the employee actively works with an Employer; or

(2) the earlier date that the employee



## Exhibit A—(Continued)

## Section T—(Continued)

enters into the military or naval or air forces of any country, state, Union or Association thereof, at war whether such war be declared or undeclared;

(b) the date of termination of all or any such Insurance;

(c) the date of termination of membership of the employee in the class or classes eligible for all or any such Insurance under this Policy;

(d) the date of termination of all or any such Insurance on the class or classes of employees of which the employee is a member;

(e) the date of expiration of the period for which the last required premium payment for such Insurance is made from the Gross Advance Premium Account pursuant to the Special Administrative Provisions of this Policy;

(f) the date the employee becomes insured under another Group Policy providing accident and sickness benefits, except that an employee whose employment is subject to the California Unemployment Insurance Act may be insured under the Unemployment Compensation Disability Fund;

(g) the date of termination of this Policy;

(h) the date the employee ceases to be insured for a Basic Insurance under this Policy with respect to the Employees Hospital and Allied Lines Insurance. [T-6]

Exhibit A—(Continued)

Section T—(Continued)

Discontinuance of Individual Insurance of Dependents. The Dependents Hospital and Allied Lines Insurance of a dependent of an employee shall cease automatically on the earliest of the following dates:

(a) the date of termination of the Employee's Basic Insurance or the Employee's Hospital Expense Insurance under this Policy;

(b) the date the dependent becomes insured as an employee under this Policy;

(c) in the case of a child, the date the child attains the age of nineteen years, or the date of the child's prior marriage;

(d) in the case of a wife, the date of her divorce or legal separation from the employee;

(e) the date of termination of such Insurance under this Policy;

(f) the date of expiration of the period for which the last required premium contribution is made for such Insurance;

(g) the date of termination of this Policy. [T-7]

Amounts of Insurance. The amounts of insurance on any employee and any change in such amounts shall be based upon the following Schedule provided that in no event shall the amount of insurance be greater than the amount shown in the schedules below on account of any employee's employment with more than one Employer.

## Exhibit A—(Continued)

## Section T—(Continued)

Schedule of Insurance for  
Employee Coverages

## Coverages—Life Insurance.

Amount of Insurance—\$3000 (except Note 1).

Note 1. For an employee whose insurance becomes effective on a date on which he is not actively at work with an Employer and is not thereafter actively at work with an Employer, the amount of Life Insurance shall be an amount equal to the amount of his Life Insurance which ceased under another group policy because of expiration or other termination of such other group policy on the day immediately prior to such date, or \$3000, whichever is less.

Accidental Death and Dismemberment Insurance—3000 (Full Amount).

Accident and Sickness Insurance (Weekly Benefit)—Nonoccupational I (Applicable only to an employee whose employment is not subject to the CUI Act).

If disability commences while not actively at work as a full-time employee

70% of basic weekly wage but in no event to exceed \$25 per week (see Note 2).

If disability commences while actively at work as a full-time employee

70% of basic weekly wage but in no event to exceed \$40 per week.

Exhibit A—(Continued)

Section T—(Continued)

Nonoccupational II—(Applicable only to an employee whose employment is subject to the CUI Act and who is not insured for UCD Benefits under the Rider attached to this Policy).

70% of basic weekly wage, less any UCD Benefits payable but not including the additional benefit of \$8.00 per day payable by virtue of Section 209 of the CUI Act, but in no event to exceed \$15 per week.

Occupational—(Applicable to all Employees).

70% of basic weekly wages, less the amount per week to which the employee is entitled (or would be entitled in the event a lump sum payment is received in lieu of weekly payments) under any Workmen's Compensation Law or Act or Employer's Liability Law or Act or similar law or act, but in no event less than \$10 nor in excess of \$20.

Basic weekly wage is determined as the normal number of hours per week in the employee's work schedule, not to exceed forty hours, multiplied by the employee's hourly wage rate, exclusive of bonus or overtime. If the amount of benefit payable to an employee for a week or a fractional part of a week is not an even multiple of one dollar it shall be taken to the next higher dollar.

Note 2. The amount of weekly benefit of an employee whose disability commences while not ac-

## Exhibit A—(Continued)

## Section T—(Continued)

tively at work with an Employer and who is recalled to active work during the continuance of such disability shall be the same after the date of such recall as the above benefit specified for disability commencing while actively at work with an Employer as a full-time employee.

## Employees Hospital Expense Insurance

## Rate of Maximum Daily

Benefit ..... \$ 10 (except Note 3)

## Maximum Benefit for

Board and Room.... 1,800

## Maximum Benefit for

Hospital Services ... 200

## Maximum Combined

Hospital Maternity  
and Obstetrical

Benefit ..... 100

Note 3. With respect to an employee whose employment is subject to the CUI Act, such amount shall be reduced by \$8.00 for each day such employee is entitled to additional benefits for hospital confinement by virtue of Section 209 of said Act.

	Amount of
Coverages	Insurance
Employees Surgical Operation Expense Insurance	
Maximum Surgical Benefit as per	
Schedule in Section E.....	\$300



## Exhibit A—(Continued)

## Section T—(Continued)

## Medical Expense Insurance for Employees

Rate of Medical Benefit in Physi- cian's Office and Hospital.....	3
Elsewhere including home .....	5
Maximum Medical Benefit.....	250

Laboratory and X-ray Examination Ex-  
pense Insurance for Employees

Maximum Laboratory and X-ray Ex- amination Expense Benefit.....	50
--	----

Supplemental Accident Expense Insur-  
ance for Employees

Maximum Expense Benefit .....	300
-------------------------------	-----

The amounts of insurance on each dependent and any change in such amounts shall be based upon the following Schedule:

Schedule of Insurance for  
Dependent Coverages

Coverages	Amount of Insurance
Hospital Expense Insurance for Dependents	
Rate of Maximum Daily Benefit.....	\$ 10
Maximum Benefit for Board and Room	1,800
Maximum Benefit for Hospital Services .....	200
Maximum Combined Hospital Mater- nity and Obstetrical Benefit.....	100

## Exhibit A—(Continued)

## Section T—(Continued)

## Surgical Operation Expense Insurance for Dependents

Maximum Surgical Benefit as per Schedule in Section N.....	300
---	-----

## Medical Expense Insurance for Dependents

Rate of Medical Benefit.....	3
Maximum Medical Benefit.....	540

## Laboratory and X-ray Examination Expense Insurance

Maximum Laboratory and X-ray Ex- amination Expense Benefit .....	50
---	----

[T-9]

Records Required. The Company shall keep a record with respect to each insured employee which shows the employee's name, age, and sex, the amount and effective date of his insurance, any change in the amount of his insurance and the effective date thereof, and the date his insurance is discontinued and the reason therefor.

It shall be the responsibility of the Union that the Company shall be furnished at its Portland Group Office, or at such of its other offices as it may in the future designate, with such information as the Company may require to enable it to administer the insurance and to determine the premiums therefor. Any records of the Union which have a bearing on the insurance hereunder shall be open to inspection by the Company.

## Exhibit A—(Continued)

## Section T—(Continued)

The Company shall be entitled to rely on the reports or records furnished to it by any Employer with respect to facts pertaining to eligibility of employees, discontinuance of insurance, premium contributions or hours worked, and the operation of any and all provisions of this Policy specifically including the Special Administrative Provisions contained herein, and shall also be entitled to rely on the records furnished to it by the Union relating to the Employers included under the Policy and the coverages for which such Employers are included.

Failure on the part of the Union or an Employer to record or to report to the Company the insurance of any employee who has fulfilled the requirements for coverage under this Policy shall not deprive such an employee of his insurance; nor shall failure on the part of the Union or an Employer to record or to report to the Company the termination of the insurance of any employee be construed as a continuation of such insurance beyond the date of termination determined in accordance with the provisions entitled "Discontinuance of Individual Insurance of Employees" or "Discontinuance of Individual Insurance of Dependents"; nor shall failure on the part of the Company to terminate the insurance of any employee make the Company liable to any other person insured under this Policy or to the Union.

Employee's Individual Certificate. The Company

## Exhibit A—(Continued)

## Section T—(Continued)

will issue to the Union for delivery to each insured employee an individual certificate setting forth the benefits to which such employee is entitled under this Policy, the name of the beneficiary, if any, designated by the employee, and the rights to which such employee is entitled in case of termination of his employment or termination of this Policy or of any Section hereof. Such certificate shall not constitute a part of this Policy.

Premium Payment. Other than premiums payable pursuant to the provisions of the "Grace Period" which exceed amounts remaining to the credit of the Gross Advance Premium Account which are actually received by the Company and other than Premiums for Dependents Hospital and Allied Lines Insurance, premiums for all insurance hereunder are payable solely from amounts remaining to the credit of the Gross Advance Premium Account which are actually received by the Company and are payable solely in accordance with the Special Administrative Provisions of the Policy. Premiums payable pursuant to the provisions of the "Grace Period" which exceed amounts remaining to the credit of the Gross Advance Premium Account which are actually received by the Company and premiums for Dependents Hospital and Allied Lines Insurance are payable at the Home Office of the Company in Boston or to a duly authorized agent presenting an official receipt signed by the

## Exhibit A—(Continued)

## Section T—(Continued)

President or Secretary, and countersigned by the agent designated thereon.

Premiums for all insurance hereunder are due and payable monthly in advance and in the manner prescribed above. On request of the Union, approved by the Company, premium payments may, if not then so payable, be changed on any policy anniversary, so as to be payable annually, semi-annually, quarterly, or monthly; in which event, the dates and provisions relating to the Special Administrative Provisions contained herein and to the payment of premiums for all insurance hereunder will be changed to conform to such modified periods of payment.

The payment of a premium for all insurance hereunder shall not maintain the insurance under this Policy in force beyond the date when the next premium becomes payable, except as hereinafter provided under the "Grace Period" provision. If the premium for all insurance hereunder is not paid on any premium due date in the manner prescribed above, this Policy shall terminate on the expiration of the last day immediately prior to such due date, except as hereinafter provided under the "Grace Period" provision. [T-10]

Except for insurance which is continued in accordance with the provisions of the Grace Period, the Company shall not be liable for any insurance benefits of any employee unless on the premium due date, pursuant to the Special Administrative Pro-



## Exhibit A—(Continued)

## Section T—(Continued)

visions of this Policy the entire premium due for all his insurance hereunder, other than Dependents' Hospital and Allied Lines Insurance has been debited against and paid from amounts remaining to the credit of the Gross Advance Premium Account and actually received by the Company and unless the entire premium due for his Dependents' Hospital and Allied Lines Insurance has been paid on such premium due date to the Company as prescribed above.

Grace Period. If the Union has not prior to any due date of the premium for all insurance hereunder given written notice to the Company that this Policy is to be terminated, a grace period of thirty-one days, without interest charge, during which the insurance under this Policy of employees for whom a premium payment is to be made from the Gross Advance Premium Account in accordance with the Special Administrative Provisions of this Policy on such premium due date shall remain in force, will be granted to the Union for the payment of each premium for all such insurance thereunder after the initial premium.

If the premium for all insurance hereunder is not paid in the manner prescribed in the provisions entitled "Premium Payment" and "Special Administrative Provisions" before the expiration of the days of grace, this Policy shall thereupon be terminated as provided in the provision entitled

## Exhibit A—(Continued)

## Section T—(Continued)

“Termination of this Policy” contained herein, but the Union shall, nevertheless, be liable to the Company for the payment of all premiums for all insurance hereunder then unpaid together with the premium for all insurance hereunder for the days of grace; except that if written notice is given by the Union to the Company during the grace period that the Policy is to be discontinued at an earlier date during the grace period, the Policy shall be terminated as provided in the provision entitled “Termination of this Policy” contained herein on such earlier date, or on the date of receipt of such written notice, whichever is later, but the Union shall nevertheless be liable to the Company for the payment of all premiums for all insurance hereunder then unpaid together with the pro rata premium for all insurance hereunder for the period commencing with the premium due date and ending with the date of termination of the Policy.

Premium Rates, Calculations and Adjustments. The initial basis of premium calculation for the coverages provided under this Policy shall be as set forth below; the Company reserves the right to fix new premium rates for any or all of the coverages provided under this Policy on any policy anniversary.

Exhibit A—(Continued)

[illegible]

# Exhibit A—(Continued)

## Section T—(Continued)

Form of Insurance Accident and Sickness	Monthly Premium Rates
Nonoccupational I .....	\$ .89 for each \$10.00 of Weekly Indemnity in force
Nonoccupational II .....	\$ .99 for each \$10.00 of Weekly Indemnity in force (less 1% of the first \$3000 of taxable wages within the meaning of the term as used under the CUI Act)
Occupational .....	\$ .31 for each \$10.00 of Weekly Indemnity in force
Hospital Expense for Employees other than Cali- fornia Employees .....	\$ .131 for each \$1.00 of Maximum Daily Benefit in force
Hospital Expense for California Employees .....	\$ .095 for each \$1.00 of Maximum Daily Benefit in force
Surgical Operation Expense for Employees .....	\$ .19 for each \$100 of Maximum Surgical Benefit in force
Medical Expense for Employees .....	\$1.25 for each insured employee
Laboratory and X-ray Examination Expense for Employees .....	\$ .24 for each insured employee
Supplemental Accident Expense for Employees .....	\$ .09 for each insured employee
Hospital Expense for Dependents .....	\$ .302 for each \$1.00 of Maximum Daily Benefit in force
Surgical Operation Expense for Dependents .....	\$ .52 for each \$100 of Maximum Surgical Benefit in force
Medical Expense for Dependents .....	\$ .065 for \$1.00 of Medical Benefit for each employee with insured dependents
Laboratory and X-ray Examination Expense for Dependents .....	\$ .47 for each employee with insured dependents

## Exhibit A—(Continued)

## Section T—(Continued)

Premium for Changes in Insurance. Premium for additional or increased insurance becoming effective during a policy month shall be charged from the first day of the policy month next following the date such insurance becomes effective, except, in the event that at least 75% of all the eligible employees of an Employer become insured on one date a pro rata premium for such month shall be charged on such date for such insurance and the premium thereafter shall be charged on the first day of each policy month.

Premium charge for insurance terminating during a policy month shall cease at the end of the policy month in which the insurance terminates.

Payment of any balance due or credited on account of the first premium or adjustments in premiums due to changes in insurance by reason of additions, increases, and terminations will be due when determined.

Proof of Claim. (Applicable to all coverages except Life Insurance and Unemployment Compensation Disability Benefits Insurance.) All benefits provided in this Policy shall be paid, as stated in the following provision, upon receipt of written proof on the Company's forms or, if such forms are not furnished by the Company within fifteen days after demand therefor, then upon receipt of written proof covering the occurrence, character, and extent of the event for which claim is made.



Exhibit A—(Continued)

Section T—(Continued)

**Payment of Claim.** Claims made for benefits provided under this Policy shall be paid as follows:

(a) Life Insurance, if provided hereunder, is payable as set forth in Section A of this Policy;

(b) All Accidental Death and Dismemberment Insurance indemnities, if provided hereunder, will be paid immediately after receipt of due proof;

(i) indemnity for loss of life is payable to the beneficiary other than any Employer, if surviving the employee; otherwise, to the estate of the insured employee;

(ii) all other indemnities are payable to the employee;

(c) subject to due proof, all Accident and Sickness Insurance benefits other than benefits under the Unemployment Compensation Disability Benefits Insurance and Hospital Expense Insurance benefits, if provided hereunder, will be paid to the employee each week during any period for which the Company is liable and any balance remaining unpaid at the termination of such period will be paid to the employee immediately after receipt of due proof;

(d) any other benefits other than benefits under the Unemployment Compensation Disability Benefits Insurance provided under this

## Exhibit A—(Continued)

## Section T—(Continued)

Policy will be paid to the employee immediately after receipt of due proof.

Examination. (Applicable to all coverages, except Life Insurance and Unemployment Compensation Disability Benefits Insurance.) The Company shall have the right and opportunity to examine the person of the employee when and so often as it may reasonably require during the pendency of a claim under this Policy and also the right and opportunity to make an autopsy in case of death where it is not forbidden by law.

Limitation of Action. (Applicable to all coverages, except Life Insurance and Unemployment Compensation Disability Benefits Insurance.) No action at law or in equity shall be brought to recover on this Policy prior to the expiration of sixty days after proof of loss has been filed in accordance with the requirements of this Policy, nor shall such action be brought at all unless brought within two years and ninety days after the date of loss upon which the cause of action is based.

If any time limitation of this Policy with respect to bringin an action at law or in equity to recover on this Policy is less than that permitted by the law of the state in which the insured resides at the time this Policy is issued, such limitation is hereby extended to agree with the minimum period permitted by such law. [T-13]

Modification of Policy. This Policy including but

Exhibit A—(Continued)

Section T—(Continued)

not limited to any and all Special Administrative Provisions in any respect may be amended or discontinued at any time by written agreement by the Company and the Union.

The Company reserves the right to fix new premium rates on April 1, 1951, and on each policy anniversary thereafter.

Termination of this Policy or amendments hereto shall not require the consent of or notice to any employee or beneficiary.

Only the President, a Vice President, the Secretary or an Assistant Secretary has power on behalf of the Company to make or modify this contract of insurance.

Termination of this Policy. If the Union gives written notice to the Company prior to the due date of any premium hereunder that this Policy is to be terminated at the end of the policy month immediately preceding such premium due date, this Policy shall then be terminated.

This Policy at the option of the Company, may be terminated at the end of any policy year, if the number of employees then insured hereunder is less than one hundred, or less than an average of five employees per Employer.

Termination of Insurance of Classes. If it is required that seventy-five per cent of certain em-

## Exhibit A—(Continued)

## Section T—(Continued)

ployees of an Employer make written application before certain insurance coverages become available to such employees, the Company shall have the right to terminate those insurance coverages for such employees on any premium due date by giving written notice to the Union and the Employers of such employees at least thirty-one days prior to such due date if less than seventy-five per cent of such employees then remain insured.

**Annual Surplus Distribution.** On each policy anniversary to which premiums have been paid, there shall be distributed hereon such share of a divisible surplus as may be apportioned hereto by the Company. Any such divisible surplus shall be paid in cash to the Union, or at the election of the Union, may be applied in abatement of premium payments.

**Renewal.** This Policy may be renewed on its first anniversary and on each subsequent anniversary without the issue or delivery of a new Policy for further terms of one year each in consideration of the payment of premiums determined as provided herein for the amount of insurance as renewed.

**Entire Contract.** This Policy, the application of the Union, a copy of which is attached hereto and made a part hereof, and the individual applications, if any, of the employees insured shall constitute the entire contract.

All statements made by the Union or by the individual employees insured hereunder shall be

## Exhibit A—(Continued)

## Section T—(Continued)

deemed representations and not warranties and no such statement shall be used in defense to a claim under this Policy unless it is contained in a written application signed by the applicant.

**Non-Waiver of Policy Provisions.** The failure on the part of the Company to perform or to insist upon the strict performance of any term, provision or condition of this Policy, including but not by way of limitation any term, provision or condition of any of the Special Administrative Provisions of this Policy, shall neither constitute a waiver on the part of the Company of its right to perform or require the performance of the term, provision or condition nor stop it from exercising any other rights it may have thereunder.

Neither Union nor any Employer Company's Agent. Neither the Union nor any Employer shall in any event be considered the agent of the Company for any purpose under this Policy. [T-14]

## Section U

## Special Administrative Provisions

1. Amounts forwarded to the Company for premium charges for Dependents Hospital and Allied Lines Insurance shall not be subject to the Special Administrative Provisions of this Policy.

2. Except for amounts forwarded to the Company for premium charges for Dependents Hospital and Allied Lines Insurance, the amount of all volun-



## Exhibit A—(Continued)

## Section U—(Continued)

tary cash contributions of an employee and of all monies forwarded to the Company by Employers on account of hours worked by an employee or pursuant to salary wage deduction authorizations of an employee shall be credited to an Individual Advance Premium Account of the employee.

3. The Individual Advance Premium Account of each employee for whom amounts have been credited for hours worked during the month of May, 1950, or June, 1950, shall be debited for each such month with the amount of 55c if the employee is insured for all employee coverages under the Policy, or 51c if the employee is insured only for Basic Insurance under the Policy. Such amounts shall be credited to the Gross Advance Premium Account.

4. Except as provided in paragraph 7 below, on each premium due date while the insurance of an employee under the Policy is in force, amounts shall be debited against the Individual Advance Premium Account of an employee as follows: (Such amounts are hereinafter referred to as the "Premium Due Date Debit" of an employee.)

Employees whose employment is not subject to the CUI Act—

(a) \$11.25 for an employee who is insured for Basic Insurance and for Employees Hospital and Allied Lines Insurance under the Policy;

Exhibit A—(Continued)

Section U—(Continued)

(b) \$7.75 for an employee who is insured for Basic Insurance under the Policy.

Employees whose employment is subject to the CUI Act—

(c) \$11.30 for an employee who is insured for California Basic Insurance and for California Employees Hospital and Allied Lines Insurance under the Policy;

(d) \$11.30 (less 1% of the first \$3,000 of taxable wages within the meaning of the term as used under the CUI Act) for an employee who is insured for Life Insurance, Accidental Death and Dismemberment Insurance, and Employees Hospital and Allied Lines Insurance under the Policy;

(e) \$8.16 for an employee who is insured for California Basic Insurance under the Policy;

(f) \$8.16 (less 1% of the first \$3,000 of taxable wages within the meaning of the term as used under the CUI Act) for an employee who is insured for Limited California Basic Insurance.

Such amounts shall be credited to the Gross Advance Premium Account. [U-1]

5. On each premium due date, the premium for all insurance under the Policy, other than Dependents Hospital and Allied Lines Insurance, determined in accordance with the provision of the

## Exhibit A—(Continued)

## Section U—(Continued)

Policy entitled "Premium Rates, Calculations and Adjustments" shall be debited against and paid from amounts credited to the Gross Advance Premium Account; provided, however, no such premium payment or debit shall be made against the Gross Advance Premium Account for the insurance of an employee who on any premium due date does not have to the credit of his Individual Advance Premium Account an amount equal to the sum of his Premium Due Date Debit and any debit then constituting a charge against his Individual Advance Premium Account;

unless on such premium due date he is entitled to receive accident and sickness benefits under either the Group Accident and Sickness provisions of the Policy or the Unemployment Compensation Disability Benefit provisions of the Rider to the Policy, or

unless the employee has, at any time during either of the two policy months preceding such premium due date, actively worked with an employer and such work is covered by collective bargaining agreement of such employer with a local of the IWA-CIO-Northwest Region providing health and welfare benefits under the IWA health and welfare program and is evidenced by records furnished the Company by such employer, or

unless the employee was not insured under the

## Exhibit A—(Continued)

## Section U—(Continued)

Policy at any time during either the second or third policy month preceding such premium due date, or

unless amounts received by the Company during the policy month preceding such premium due date for credit to his Individual Advance Premium Account together with the amount of the credit, if any, remaining to the Individual Advance Premium Account of the employee on such premium due date equals the amount of his premium due date debit.

6. No premiums for any insurance under the Policy other than Dependents Hospital and Allied Lines Insurance, shall be paid from the Gross Advance Premium Account except in accordance with paragraph 5 above.

7. If on any premium due date the Individual Advance Premium Account of an employee has to its credit an amount less than the sum of his Premium Due Date Debit and any debit then constituting a charge against his Individual Advance Premium Account, no amount shall be debited against the Individual Advance Premium Account of the employee or credited to the Gross Advance Premium Account except as follows:

(a) if the premium for the insurance of the employee is paid and debited from the Gross Advance Premium Account on such premium

## Exhibit A—(Continued)

## Section U—(Continued)

due date in accordance with the provisions of paragraph 5 above, the Individual Advance Premium Account of the employee shall be debited with the amount of credit, if any, remaining to such account and the Gross Advance Premium Account shall be credited with the amount of such debit, and

(i) if such credit is made to the Gross Advance Premium Account, the difference between his Premium Due Date Debit and the amount of such credit shall constitute a debit to be charged against the amounts, if any, subsequently credited to the Individual Advance Premium Account of the employee and, upon receipt of such amounts by the Company, they shall be credited to the Gross Advance Premium Account; or

(ii) if no such credit is made to the Gross Advance Premium Account, the amount of his Premium Due Date Debit shall constitute a debit to be charged against the amounts, if any, subsequently credited to the Individual Advance Premium Account of the employee and, upon receipt of such amounts by the Company, they shall be credited to the Gross Advance Premium Account. [U-2]

8. On the premium due date following each



## Exhibit A—(Continued)

## Section U—(Continued)

policy anniversary, the amounts remaining to the credit of the Individual Advance Premium Account of an employee in excess of his Premium Due Date Debit due on such premium due date shall be determined by the Company and shall be paid to the employee as soon as practicable.

9. Upon the termination of all of the insurance of an employee under the Policy, the amount remaining to the credit of his Individual Advance Premium Account shall be determined by the Company and shall be paid to the employee as soon as practicable.

10. Upon the termination of the Policy, all amounts remaining to the credit of the Gross Advance Premium Account in excess of premium due under this Policy shall be distributed, share and share alike, to the employees insured under the Policy as of the effective date of the termination of the Policy.

11. Interest, at such a rate, if any, as may be determined by the Company shall be payable for a policy month on the minimum amount of advance premiums which, at any time during such policy month, remain to the credit of both the Gross Advance Premium Account and the total of all the Individual Advance Premium Accounts to the extent that such minimum amount exceeds an amount equal to the sum of (1) the entire premium, other

## Exhibit A—(Continued)

## Section U—(Continued)

than the premium for Dependents Hospital and Allied Lines Insurance, due under the Policy on the first of such month, and (2) any of such advance premiums credited to any of said accounts but not then received by the Company. Such interest, if any, shall be credited to the Gross Advance Premium Account.

12. If on any premium due date and prior to payment of the premiums due under the Policy on such date, amounts to the credit of the Gross Advance Premium Account exceed an amount equal to

(a) four (4) times the Premium Due Date Debit for all employees due on such date, plus

(b) any amounts credited to such account but not then received by the Company.

such excess amount may be applied by the Company to pay Premium Due Date Debits or to provide additional insurance benefits under the Policy if the Company and the Union agree to such disposition in writing.

13. The Company shall have fully discharged its duty to pay any sum due to an employee under any of the Special Administrative Provisions of this Policy when it shall have mailed to the employee via United States mail, postage prepaid, its check or draft in the amount of such payment, addressed to such employee at the post office address furnished the Company by him or, if no such address has been

## Exhibit A—(Continued)

## Section U—(Continued)

so furnished by the employee, then addressed to the employee in care of the Employer who last forwarded any money to the Company pursuant to paragraph 1 above.

14. Anything contained herein to the contrary notwithstanding, no premiums for any insurance under the Policy shall be paid from the Gross Advance Premium Account on any premium due date unless there is a premium charge for the insurance of an employee and unless monies remaining to the credit of such account which are actually received by the Company equal the premium for all insurance under the Policy, other than Dependents Hospital and Allied Lines Insurance, due on such date; provided, however, if the insurance under the Policy is continued in accordance with the provisions of the Grace Period, all monies remaining to the credit of the Gross Advance Premium Account which are actually received by the Company shall be applied by the Company toward the payment of the premium for all insurance under the Policy for which the Union is liable to the Company under the provisions of the Grace Period. [U-3]

## Exhibit A—(Continued)

## Section U—(Continued)

## Amendment

to be attached to and made a part of  
Policy No. 7968-GMC  
issued by the  
John Hancock Mutual Life Insurance Company  
Boston, Massachusetts  
to  
International Woodworkers of America—CIO  
Portland, Oregon

It is understood and agreed that said Policy is hereby amended to provide that effective as of July 1, 1950, anything in said Policy to the contrary notwithstanding, with respect to all employees residing in the Dominion of Canada:

(1) all amounts to be received by the Company or paid by the Company under said Policy shall be in the lawful money of Canada and shall be receivable from or payable in the province in which the insured employee is domiciled or at the office of the Chief Agent of the Company in Canada: and

(2) all provisions of said Policy relative to change of beneficiary or to the rights or interest in insurance proceeds of any beneficiary or employee shall be subject to the applicable laws of the province pertaining thereto: and

(3) in order to enforce any obligation under said Policy may, subject to due service

Exhibit A—(Continued)

Section U—(Continued)

of legal process on the Company, be validly taken in any court of competent jurisdiction in any province of Canada.

Except as stated in this amendment, nothing contained herein shall be held to alter or affect any of the provisions of said Policy including any prior amendments and riders.

Boston, Massachusetts, November 1, 1950.

JOHN HANCOCK MUTUAL  
LIFE INSURANCE  
COMPANY,

/s/ ELMER L. FRENCH,  
Secretary.

Countersigned,

/s/ HAROLD V. BROWN,  
Registrar.

Form 1770.3.1-GMC

Ed. 7-50



## Exhibit A—(Continued)

## Section U—(Continued)

## Amendment

to be attached to and made a part of

Policy No. 7968-GMC

issued by the

John Hancock Mutual Life Insurance Company

Boston, Massachusetts

to

International Woodworkers of America—CIO

Portland, Oregon

It is understood and agreed that said Policy is hereby amended to provide that effective as of July 1, 1950, anything in said Policy to the contrary notwithstanding, with respect to all employees residing in the Dominion of Canada:

(1) all amounts to be received by the Company or paid by the Company under said Policy shall be in the lawful money of Canada and shall be receivable from or payable in the province in which the insured employee is domiciled or at the office of the Chief Agent of the Company in Canada; and

(2) all provisions of said Policy relative to change of beneficiary or to the rights or interest in insurance proceeds of any beneficiary or employee shall be subject to the applicable laws of the province pertaining thereto; and

(3) an action to enforce any obligation under said Policy may, subject to due service

Exhibit A—(Continued)

Section U—(Continued)

of legal process on the Company, be validly taken in any court of competent jurisdiction in any province of Canada.

Except as stated in this amendment, nothing contained herein shall be held to alter or affect any of the provisions of said Policy including any prior amendments and riders.

Boston, Massachusetts, November 1, 1950.

JOHN HANCOCK MUTUAL  
LIFE INSURANCE  
COMPANY,

/s/ ELMER L. FRENCH,  
Secretary.

Countersigned,

/s/ HAROLD V. BROWN,  
Registrar.

Form 1770.3.1-GMC

Ed. 7-50









This Policy Provides Group Insurance Coverage  
As Shown on the Front Page Hereof

The holder of this Policy is hereby notified that by virtue thereof he is a member of the John Hancock Mutual Life Insurance Company and is entitled to vote either in person or by proxy at all meetings of said Company. The annual meetings are held at its Home Office on the second Monday of February in each year at twelve o'clock noon.

ASSIGNMENT OF DIVIDENDS, INCLUDING  
DIVISIBLE SURPLUS, ARISING UNDER  
GROUP INSURANCE POLICY No. 7968-  
GMC ISSUED TO THE INTERNATIONAL  
WOODWORKERS OF AMERICA-CIO

The International Woodworkers of America-CIO as the policyholder of Group Insurance Policy No. 7968-GMC issued by the John Hancock Mutual Life Insurance Company to the International Woodworkers of America-CIO hereby irrevocably assigns, sets over and transfers all its right, title and interest in and to any and all dividends which may be or become due and payable from time to time under the provisions of said group insurance policy or otherwise, and, without limiting the generality of the foregoing, specifically including any divisible surplus referred to under the General Provisions, 8th paragraph, page T-14 of the policy entitled "Annual Surplus Distribution," to the John Hancock Mutual Life Insurance Company to credit any and all such dividends to the Gross Advance Premium Account provided for under such policy for

application in accordance with the Special Administrative Provisions of said policy pertaining to monies credited to said Gross Advance Premium Account. Upon the crediting of such dividends as aforesaid, the John Hancock Mutual Life Insurance Company shall be delivered of any and all liability with respect to any such dividends.

In Witness Whereof, the International Woodworkers of America-CIO has caused this instrument to be signed by its duly authorized officer at Portland, Oregon, this 3rd day of February, 1951.

INTERNATIONAL WOODWORKERS OF  
AMERICA-CIO,

By FADLING,  
President.

HENRY J. McCARDLE,  
Witness.

[Endorsed]: Filed April 25, 1951.

---

[Title of District Court and Cause.]

### FINDINGS OF FACT AND CONCLUSIONS OF LAW

The above-entitled action was submitted on April 25, 1951, to the undersigned judge of the above-entitled court, sitting without a jury, on a Stipulation of Facts entered into by all parties who appeared in the action, viz.: Plaintiff Potlatch Forests, Inc., represented by Robert H. Elder, R. N. Elder and Sydney E. Smith, its attorneys; defend-

ant International Woodworkers of America and affiliated locals No. 10-358, 10-361, 10-119, 10-364, represented by their attorneys, William A. Babcock and W. B. Bowler; defendant John Hancock Mutual Life Insurance Company represented by its attorneys, Koerner, Young, McColloch & Dezen-dorf, Frank C. McColloch, Clarence J. Young and Ray E. Durham; and defendant employees of Rutledge unit as listed in Exhibit "F" of plaintiff's complaint, represented by their attorney, William S. Hawkins.

Thereafter briefs were filed and presented to the court on behalf of all of the parties so appearing. A study of the Stipulation of Facts and briefs of respective counsel was made by the court, and the court being fully advised in the premises, now makes the following:

### Findings of Fact

#### I.

The above-named plaintiff, the Potlatch Forests, Inc., is a corporation organized and existing under and by virtue of the laws of the State of Maine and authorized to do business in the State of Idaho. The plaintiff, Potlatch Forests, Inc., is engaged in the business of logging and the manufacturing of lumber and lumber products. It has its principal office and place of business at Lewiston, Idaho. It operates saw mills and other manufacturing facilities at Lewiston, Potlatch, and Coeur d'Alene, Idaho, and logging operations in the vicinity of Bovill and Headquarters, Idaho. The greatest part of its prod-

ucts is sold and shipped to points outside the state of Idaho. The plaintiff is engaged in interstate commerce within the meaning of the National Labor Relations Act as amended by the Labor Management Relations Act of 1947. The Collective Bargaining Agreement between the plaintiff and the defendant unions and any disputes which may arise thereunder affect interstate commerce within the meaning of the National Labor Relations Act as amended.

## II.

The above-named defendant, International Woodworkers of America affiliated with the Congress of Industrial Organizations is an international labor organization and has affiliated with it the defendant's Local No. 10-358 of the International Woodworkers of America at Pierce, Idaho, and Local No. 10-361 of the International Woodworkers of America of St. Maries, Idaho, and Local No. 10-119 of the International Woodworkers of America, of Coeur d'Alene, Idaho, and Local No. 10-364 of the International Woodworkers of America of Lewiston, Idaho, all of such defendants having been designated and certified by the National Labor Relations Board pursuant to National Labor Relations Act as the bargaining agent of the production and maintenance employees of the plaintiff, the Potlatch Forests, Inc.

## III.

The defendant, the John Hancock Mutual Life Insurance Company, is a corporation organized and existing under the laws of Massachusetts and



authorized to do business and write insurance within the state of Idaho.

#### IV.

The defendant, the North Idaho Service Bureau, is an association with its principal office at Lewiston, Idaho. The defendant, O. M. Husted, is a resident of Coeur d'Alene, Idaho, and is a practicing physician and surgeon.

#### V.

The defendant, R. E. Olson, and the other defendants named above are production and maintenance employees of the plaintiff, Potlatch Forests, Inc., employed at the plaintiff's plant at Coeur d'Alene, Idaho.

#### VI.

The ground upon which the jurisdiction of this court depends is the diversity of citizenship. The plaintiff is a corporation authorized and existing under and by virtue of the laws of the state of Maine. The defendant, the John Hancock Mutual Life Insurance Company, is a corporation organized and existing under and by virtue of the laws of the state of Massachusetts, and the defendants, the International Woodworkers of America, affiliated with the Congress of Industrial Organization, Local No. 10-358, Local No. 10-361, Local No. 10-119, Local No. 10-364, are all labor organizations operating within the State of Idaho. All of the other defendants named above are citizens of the state of Idaho and reside within the state of Idaho.



## VII.

The matter in controversy herein exceeds exclusive of interest and costs the sum or value of Three Thousand Dollars (\$3,000.00).

## VIII.

On or about the 14th day of July, 1950, the plaintiff, the Potlatch Forests, Inc., entered into a collective bargaining agreement with the defendants, the International Woodworkers of America, affiliated with the Congress of Industrial Organizations, and the defendants, Local No. 10-358 of Pierce, Idaho; Local No. 10-361 of St. Maries, Idaho, Local No. 10-119 of Coeur d'Alene, Idaho, and Local No. 10-364 of Lewiston, Idaho. A copy of said bargaining agreement is attached to plaintiff's complaint marked Exhibit "A" and by reference is hereby made a part of these Findings.

## IX.

That said bargaining agreement among other things provided in Article XVIII thereof, entitled, Company Financed Health and Welfare, as follows:

(a) A Company-paid Health and Welfare program shall be financed as follows: Wage rates will be increased seven and one-half cents ( $7\frac{1}{2}c$ ) per hour, effective June 1, 1950, as to employees on the pay roll on the date this agreement is executed, for the purpose of financing and paying for an employee benefit program. For scheduled hourly and piece rate workers the increase shall be converted in accordance

with the formula used in the past in making similar conversions.

(b) Each employee included within the bargaining unit under this agreement, upon execution of this agreement in his behalf by the Union as his duly certified collective bargaining agent, hereby authorizes and directs the Company, to deduct from his earnings each month the sum of  $7\frac{1}{2}c$  for each hour worked by him or 60c per day for scheduled hourly employees and to pay said sum to such insurance carrier or carriers or hospital or physicians' organization legally authorized to do business in the state of Idaho as the Union or its authorized representatives may designate to be used exclusively for social benefits to inure to the benefit of the individual employee only. The Union shall notify the Company of the carrier or carriers or hospital or physicians' organization designated by it and the amount to be paid to each. The Company will cooperate with the Union and the insurance carrier or hospital or physicians' organization in securing necessary information for coverage. No employee, or former employee, shall have any claim, right, interest in or demand to said  $7\frac{1}{2}c$  or said 60c, or any part thereof, or in the provisions of Article XVIII, except he shall receive the social benefits, insurance medical and surgical coverage, and dividends or refunds as provided under the policy or policies issued by the carrier or carriers as a result of negotiations by the Union with the carrier or carriers. No em-

ployee or former employee shall have any right or cause of suit or action and none shall be maintained under the provisions of this working agreement or otherwise against the Company or the Union by reason of the provisions of Article XVIII.

(c) Effective as soon as permitted by its present policies the Company shall forthwith terminate any existing employee social benefit programs to which the employee contributes. Under the provisions of paragraph (b) of this Article, the employee also authorizes a deduction from his earnings of a sum equal to the amount heretofore contributed by the Company to such existing programs, from and after the effective date of this Article for the purpose of defraying the cost of that program from that date until actually terminated.

(d) It is the intention of the Company and the Union that the foregoing program is in lieu of any similar or related programs requiring employer contributions under State and/or Federal law now existing or which may be hereafter enacted, and the parties hereto agree to amend the foregoing program, if necessary, from time to time to conform to and comply with any such legislation. If the foregoing is found to be in conflict with any Federal or State law, the parties agree to amend it to conform to the same.

## X.

Beginning on the 1st day of June, the Potlatch

Forests, Inc., in accordance with provision XVIII of said bargaining agreement deducted from its 3,164 employees the sum of \$.071½ an hour and the sum of \$.60 per day from the scheduled hourly employees. Upon instructions from the International Woodworkers of America affiliated with the Congress of Industrial Organization and its above-named affiliated locals, the Potlatch Forests, Inc., in accordance with the terms of the contract, paid over the moneys so deducted:

a. The sum of \$3.50 per month for each employee to the above-named defendant, the North Idaho Medical Service Bureau, except the employees of the above-named plaintiff employed at its Coeur d'Alene plant and for such employees under the instructions received paid the sum of \$2.50 per month for each employee to Dr. O. M. Husted of Coeur d'Alene, Idaho, named above defendant.

b. The balance of said sum deducted from each employee was paid by the plaintiff under the instructions received from the Union to the defendant, the John Hancock Mutual Life Insurance Company.

That copies of the instructions received from the defendant, the International Woodworkers of America and the above-named affiliated locals, are attached to plaintiff's complaint and marked Exhibits "B," "C," "D," and "E" and by reference are made a part of these Findings.

## XI.

The International Woodworkers of America affli-



ated with the Congress of Industrial Organizations, and its affiliated Locals, named as defendants above, entered into a contract for group insurance with the John Hancock Mutual Life Insurance Company covering all of the main employees within the bargaining unit of plaintiff's operations for life, accident, and health insurance. Said policy of insurance took effect on the 1st day of July, 1950, and a true and correct copy of said policy of insurance as amended is attached to the Stipulation of Facts herein marked Exhibit "A," and made a part of these Findings.

## XII.

On September 6, 1950, the above-named plaintiff was served with a demand signed by 109 of its employees requesting that no further deductions be made on their earnings for the health and welfare program and that such sums heretofore deducted be returned to them immediately. Such employees signing said demand have been made defendants herein. Defendant unions named above contend that under Paragraph XVIII of Union Bargaining Agreement the plaintiff is required to deduct the \$.071½ per hour from each hour worked by all production and maintenance employees and to pay the sum out as the union may direct as set forth in Paragraph X above. The above-named defendant employees who signed the demand contend that the plaintiff has no right or authority to deduct said \$.071½ from their earnings without an individual authorization signed by the employee. None of plaintiff's employees have signed individual's authorizations for said deduction.



Under the terms of the union bargaining agreement, and Paragraph XVIII in particular, the plaintiff has during the months of June, 1950, to March, 1951, both inclusive, deducted from the earnings of its employees the sum of \$407,600.15 and paid said sum out under direction from the union as set forth more particularly in Paragraph X above. During the life of the contract the plaintiff will deduct from the earnings of its employees and pay out in accordance with instructions from the union approximately \$770,000.00.

### XIII.

Plaintiff contends that said bargaining agreement is valid and binding upon the company and that individual authorizations from each employee are not necessary or required in view of Paragraph XVIII of the bargaining agreement set out in Paragraph IX above wherein the bargaining agent of the employees authorizes the deduction to be made from the earnings of each production and maintenance employee within the bargaining unit, but that the claim of the above-named employees named as defendants and all other employees similarly situated that Article XVIII of said contract is not valid and that individual authorizations are necessary, presents a matter of actual controversy between the parties and raises a question of the validity of Article XVIII of said agreement.

Based upon the foregoing Findings of Fact. the court now makes and enters the following:

## Conclusions of Law

## I.

The collective bargaining agreement entered into on or about July 14, 1950, effective June 1, 1950, providing for a health and welfare program by the payment of 7½c per hour for each hour worked by employees in the bargaining unit, or 60c per day for scheduled hourly employees, by the employer to an insurance carrier or to a hospital or to physicians designated by the union, is valid and binding on the parties.

## II.

The wage rate increase of 7½c per hour provided by said agreement was not intended by the parties as an unqualified wage increase separate and apart from the employees' health and welfare program, and it was not intended that said increase be wages for an employee to draw if he did not desire the benefits of the insurance program provided for in said agreement.

## III.

The demand made by individual employees that no further deductions be made on their earnings for the health and welfare program and that sums theretofore deducted be returned to them immediately was and is of no force or effect and cannot be acceded to by plaintiff.

## IV.

Said collective bargaining agreement does not violate Sec. 302 of the Labor Management Relations Act of 1947 (29 U.S.C. 186) or any other provision of said Act.

## V.

The defendant unions, as representatives of the employees, under the provisions of Sec. 8(a)5, Sec. 8(b)3, and Sec. 9(a) of the National Labor Relations Act, as amended, had authority to enter into said collective bargaining agreement providing for payments of 7½¢ per hour for each hour worked or 60¢ per day for scheduled hourly employees, to an insurance carrier or to a hospital or to physicians designated by the union, and such agreement does not in any way violate any statutory or constitutional rights of the employees.

## VI.

Plaintiff employer, party to said agreement, has been and is authorized and obligated under said collective bargaining agreement commencing as of June 1, 1950, to make such deductions and payments without obtaining authorizations from individual employees and without regard to objections by such employees, and deductions and payments so made are not prohibited by any state or federal law.

## VII.

Plaintiff is entitled to a declaratory judgment embodying the foregoing Conclusions of Law.

Dated at Boise, Idaho, this 22nd day of September, 1951.

/s/ CHASE A. CLARK,

District Judge.

[Endorsed]: Filed September 22, 1951.

United States District Court, District of Idaho,  
Northern Division

No. 1808

POTLATCH FORESTS, INC.,

Plaintiff,

vs.

INTERNATIONAL WOODWORKERS OF AMERICA, Affiliated With the CONGRESS OF INDUSTRIAL ORGANIZATIONS, LOCAL No. 10-358, of the INTERNATIONAL WOODWORKERS OF AMERICA, at Pierce, Idaho, and LOCAL No. 10-361 of the INTERNATIONAL WOODWORKERS OF AMERICA, of St. Maries, Idaho; and LOCAL No. 10-119 of the INTERNATIONAL WOODWORKERS OF AMERICA, of Coeur d'Alene, Idaho; and LOCAL No. 10-364 of the INTERNATIONAL WOODWORKERS OF AMERICA, of Lewiston, Idaho; JOHN HANCOCK MUTUAL LIFE INSURANCE COMPANY; THE NORTH IDAHO SERVICE BUREAU; O. M. HUSTED, R. E. OLSEN, JAMES M. KING, BERT DAVIDSON, JOHN A. FOGLESONG, LESTER A. CLEMENTSON, OTIS NUSTAD, FRANK ANDREWS, JOE BJORNSTAD, CECIL McMILLIN, BEN JOHNSON, HAROLD A. STANDAHL, STANLEY C. PARRIOTT, WILMER MOORE, LELAND SANDE, STANLEY M. WEST, LYNELLE T. RABUN, HOMER COGSWELL, HOWARD ELY, GILMAN



MOORE, GAIL L. BARRY, AMOS E. LIBBY, DAVID NICHOLS, E. A. DUFFIELD, C. C. BUEGE, W. A. JARDINE, WAYNE DAVIS, W. R. SWEITZER, JR., ED DENISON, VERNE EATON, WESLEY A. OLSON, CHARLES L. WALTON, ESQ., W. E. OVE-SON, W. G. PETERS, AXEL HOLMBLAD, LEONARD W. KERBER, JOHN G. Mac- DONALD, W. E. BENSON, LOUIS OLSON, DONALD N. TOSH, CARL W. NUMAN, JOE BRANDVOLD, ROY BJAALAND, C. R. KOCHER, GEORGE GROSE, WILLIAM E. MATTSO, GARDNER TEALL, CHET E. ROATH, JAMES D. WRIGHT, ARNOLD DAVIDSON, JERRY MARKUSO, AL ROSENLU, WILLIAM E. FORMAN, ARNOLD H. OLSON, GEORGE ERICKSON, ADOLPH OLSON, BERNARD W. VALEN- TINE, HALVOR BRUSTAD, RICHARD H. McCOWEN, JOHN W. PINKLEY, HAROLD SONNICHSEN, HARRY H. FIELDS, BILL OVERBAY, GUST JOHNSON, CRAIG D. WILCOX, HARRY R. FIELDS, JOHN D. MARSON, A. A. FORNESS, H. C. KIEPER, SAM LANORE, L. E. KELLY, M. C. ADAMS, WILLIAM H. HEBERT, CLIFFORD F. ANDERSON, L. E. ACRE, HERBERT C. MENSCH, JOHN HURRELL, LEMUEL R. CEDERBLOOM, ROBERT G. TEAL, FRANK F. KNOX, JOHN CARLSON, VIC- TOR DAHLSTROM, BERTIL KNUTSON, LOUIS R. ACRE, LAWRENCE L. HARMON, JAY W. GIBBS, JOHN A. BARBER,



JOHNNY CARLSON, JAMES A. ROE, OLIVER BRECTO, OSCAR C. OLSON, FRED L. STEPHENSON, HOWARD STAPLES, HOWARD M. ELDER, LLOYD MOE, JAY B. CARPENTER, ALVIN A. BATCH-ELDER, EINAR H. HOLMBLAD, CLAUDE H. RAWSON, HENRY O. BJAALAND, GEORGE DILL, PAUL ANTONSON, VICTOR LEINUM, LEONARD E. GERMAN, L. H. MENSCH, RAY JANUSCH, RICHARD R. YOUNG, JOHN W. SPRACKLIN, JOHN GITTEL, ROBERT MARRHEWS; and ALL OTHER PRODUCTION AND MAINTENANCE EMPLOYEES OF THE PLAINTIFF SIMILARLY SITUATED,

Defendants.

### DECLARATORY JUDGMENT AND DECREE

The above-entitled action was submitted on April 25, 1951, to the undersigned judge of the above-entitled court, sitting without a jury, on a stipulation of facts entered into by all parties who appeared in the action, viz: plaintiff, Potlatch Forests, Inc., represented by Robert H. Elder, R. N. Elder and Sydney E. Smith, its attorneys; defendant, International Woodworkers of America and affiliated locals Nos. 10-358, 10-361, 10-119, 10-364, represented by their attorneys William A. Babcock and W. B. Bowler; defendant, John Hancock, Mutual Life Insurance Company, represented by its at-

torneys Koerner, Young, McColloch & Dezendorf, Frank C. McCollock, Clarence J. Young and Ray E. Durham; and defendant, employees of Rutledge unit as listed in Exhibit "F" of plaintiff's complaint, represented by their attorney William S. Hawkins.

Thereafter briefs were filed and presented to the court on behalf of all of the parties so appearing. A study of the stipulation of facts and briefs of respective counsel was made by the court, and the court being fully advised in the premises, made and entered in writing its Findings of Fact and Conclusions of Law. Now, therefore, it is

Ordered, Adjudged and Decreed that the collective bargaining agreement entered into on or about July 14, 1950, effective June 1, 1950, providing for a health and welfare program by the payment of 71½c per hour for each hour worked by employees in the bargaining unit, or 60c per day for scheduled hourly employees, by the employer to an insurance carrier or to a hospital or to physicians designated by the union, is valid and binding on the parties. It is further

Ordered, Adjudged and Decreed that the wage rate increase of 71½c per hour provided by said agreement was not intended by the parties as an unqualified wage increase separate and apart from the employees' health and welfare program, and it was not intended that said increase be wages for an employee to draw if he did not desire the benefits of the insurance program provided for in said agreement. It is further

Ordered, Adjudged and Decreed that the demand made by individual employees that no further deductions be made on their earnings for the health and welfare program and that sums theretofore deducted be returned to them immediately, was and is of no force or effect and cannot be acceded to by plaintiff. It is further

Ordered, Adjudged and Decreed that said collective bargaining agreement does not violate Sec. 302 of the Labor Management Relations Act of 1947 (29 U.S.C. 186), or any other provision of said Act. It is further

Ordered, Adjudged and Decreed that defendant Unions, as representatives of the employees, under the provisions of Sec. 8 (a) 5, Sec. 8 (b) 3, and Sec. 9 (a) of the National Labor Relations Act, as amended, had authority to enter into said collective bargaining agreement providing for payments of 71½c per hour for each hour worked or 60c per day for scheduled hourly employees, to an insurance carrier or to a hospital or to physicians designated by the union, and such agreement does not in any way violate any statutory or constitutional rights of the employees. It is further

Ordered, Adjudged and Decreed that plaintiff employer, party to said agreement, has been and is authorized and obligated under said collective bargaining agreement commencing as of June 1, 1950, to make such deductions and payments without obtaining authorizations from individual employees and without regard to objections by such employees,

and deductions and payments so made are not prohibited by any state or federal law.

Dated at Boise, Idaho, this 22nd day of Sept., 1951.

/s/ CHASE A. CLARK,  
District Judge.

[Endorsed]: Filed September 22, 1951.

---

[Title of District Court and Cause.]

### NOTICE OF APPEAL

Notice is Hereby Given that R. E. Olson, James M. King, Bert Davidson, John A. Foglesong, Lester A. Clemetson, Otis Nustad, Frank Andrews, Joe Bjornstad, Cecil McMillin, Ben Johnson, Harold A. Standahl, Stanley C. Parriott, Wilmer Moore, Leland Sande, Stanley M. West, Lynelle T. Rabun, Homer Cogswell, Howard Ely, Gilman Moore, Gail L. Barry, Amos E. Libby, David Nichols, E. A. Duffield, C. C. Buege, W. A. Jardine, Wayne Davis, W. R. Sweitzer, Jr., Ed Denison, Verne Eaton, Wesley A. Olson, Charles L. Walton, Esq., W. E. Oveson, W. G. Peters, Axel Holmblad, Leonard W. Kerber, John G. MacDonald, W. E. Benson, Louis Olson, Donald N. Tosh, Carl W. Numan, Joe Brandvold, Roy Bjaaland, C. A. Kochel, George Grose, William E. Mattson, Gardner Teall, Chet E. Roath, James D. Wright, Arnold Davidson, Jerry Markuson, Al Rosenlund, William E. Forman, Arnold H. Olson, George Erickson, Adolph Olson, Bernard



W. Valentine, Halvor Brustad, Richard H. McCowen, John W. Pinkley, Harold Sonnichsen, Harry H. Fields, Bill Overbay, Gust Johnson, Craig D. Wilcox, Harry R. Fields, John D. Marson, A. A. Forness, H. C. Kieper, Sam Lanore, L. E. Kelly, M. C. Adams, William H. Hebert, Clifford F. Anderson, L. E. Acre, Herbert C. Mensch, John Hurrell, Lemuel R. Cederbloom, Robert G. Teal, Frank F. Knox, John Carlson, Victor Dahlstrom, Bertil Knutson, Louis R. Acre, Lawrence L. Harmon, Jay W. Gibbs, John A. Barber, Johnny Carlson, James A. Roe, Oliver Brecto, Oscar C. Olson, Fred L. Stephenson, Howard Staples, Howard M. Elder, Lloyd Moe, Jay B. Carpenter, Alvin A. Batchelder, Einar H. Holmblad, Claude H. Rawson, Henry O. Bjaaland, George Dill, Paul Antonson, Victor Leinum, Leonard E. German, L. H. Mensch, Ray Janusch, Richard R. Young, John W. Spracklin, John Gittel and Robert Marrhews, defendants above named hereby appeal to the United States Court of Appeals for the Ninth Circuit from the file Declaratory Judgment and Decree entered in this action on September 22, 1951.

/s/ E. L. MILLER,

/s/ W. S. HAWKINS,

Attorneys for Appellants  
Above Named.

Receipt of copy acknowledged.

[Endorsed]: Filed October 22, 1951.



[Title of District Court and Cause.]

CERTIFICATE OF CLERK

I, Ed. M. Bryan, Clerk of the United States District Court for the District of Idaho, do hereby certify that the following papers are that portion of the original files designated by the parties and as are necessary to the appeal under Rule 75 (RCP):

1. Complaint for Declaratory Relief.
2. Answer of R. E. Olson, et al.
3. Stipulation of Facts.
4. Minute entry of April 25, 1951.
5. Minute entry of May 24, 1951.
6. Findings of Fact and Conclusions of Law.
7. Declaratory Judgment and Decree.
8. Notice of Appeal.
9. Undertaking on Appeal.
10. Statement of Points.
11. Designation of Contents of Record on Appeal.

In Witness Whereof, I have hereunto set my hand and affixed the seal of said court, this 7th day of November, 1951.

[Seal]      /s/ ED. M. BRYAN,  
Clerk.

[Endorsed]: No. 13155. United States Court of Appeals for the Ninth Circuit. R. E. Olson, et al., Appellant, vs. Potlatch Forests, Inc., a Corporation; John Hancock Mutual Life Insurance Company; International Woodworkers of America, Affiliated With the Congress of Industrial Organizations, Local No. 10-358, of the International Woodworkers of America, at Pierce, Idaho, et al., Appellees. Transcript of Record. Appeal from the United States District Court for the District of Idaho, Northern Division.

Filed November 9, 1951.

/s/ PAUL P. O'BRIEN,

Clerk of the United States Court of Appeals for  
the Ninth Circuit.

---

[Title of Court of Appeals and Cause.]

## STATEMENT OF POINTS

Pursuant to Rule 19 of the United States Court of Appeals for the Ninth Circuit, the defendant-appellants designate the following points upon which appellants will rely on appeal:

### I.

The court erred in entering its Declaratory Judgment and Decree in favor of the plaintiff and against these defendants.

### II.

The Court erred in entering its Findings of Facts and Conclusions of Law herein.

## III.

The court erred in adjudging and decreeing that the defendant unions as representatives of the employees under the provisions of Sec. 8 (a) 5, Sec. 8 (b) 3, and Sec. 9 (a) of the National Labor Relations Act, as amended, had authority to enter into said collective bargaining agreement providing for payments of 7½c per hour for each hour worked or 60c per day for scheduled hourly employees, to an insurance carrier or to a hospital or to physicians designated by the union, and such agreement does not in any way violate any statutory or constitutional rights of the employees.

## IV.

The court erred in adjudging and decreeing that the collective bargaining agreement does not violate Section 302 of the Labor Management Relations Act of 1947 (29 U.S.C. 186), or any other provision of said Act.

## V.

The court erred in adjudging and decreeing that the demand made by the individual employees that no further deductions be made on their earnings for the Health and Welfare Program and that sums theretofore deducted be returned to them immediately was and is of no force and effect and cannot be acceded to by the plaintiff.

## VI.

The court erred in ordering, adjudging and decreeing that the wage rate increase of 7½c per hour provided by said agreement was not intended by the parties as an unqualified wage increase separate

and apart from the employees Health and Welfare Program, and it was not intended that said increase be wages for an employee to draw if he did not desire the benefits of the insurance program provided for in said agreement.

## VII.

The Court erred in adjudging and decreeing that the collective bargaining agreement entered into on or about July 14, 1950, effective June 1, 1950, providing for a health and welfare program by the payment of 71½c per hour for each hour worked by employees in the bargaining unit, or 60c per day for scheduled hourly employees, by the employer to an insurance carrier or to a hospital or to physicians designated by the union, is valid and binding on the parties.

## VIII.

The court erred in adjudging and decreeing that plaintiff employer, party to said agreement, has been and is authorized and obligated under said collective bargaining agreement commencing as of June 1, 1950, to make such deductions and payments without obtaining authorizations from individual employees and without regard to objections by such employees, and deductions and payments so made are not prohibited by any state or federal law.

/s/ WM. S. HAWKINS,

/s/ E. L. MILLER,

Attorneys for Appellants.

Service of copy acknowledged.

[Endorsed]: Filed December 1, 1951.

[Title of Court of Appeals and Cause.]

DESIGNATION OF CONTENTS OF RECORD  
ON APPEAL

Pursuant to Rule 75 (a) of the Federal Rules of Civil Procedure and Rule 19 of the United States Court of Appeals for the Ninth Circuit the defendant-appellants hereby designates for inclusion in the record on appeal to the United States Court of Appeals for the Ninth Circuit taken by Notice of Appeal filed October 22, 1951, the following portions of the records, proceedings and evidence of this action.

1. The Complaint.
2. The Answer of these Appellants and Defendants.
3. Stipulation of Facts.
4. Findings of Fact and Conclusions of Law.
5. Declaratory Judgment and Decree.
6. Notice of Appeal.
7. Statement of Points on Appeal.
8. This Designation and Journal Entries.

/s/ WM. S. HAWKINS,

/s/ E. L. MILLER,

Attorneys for Appellants.

Service of copy acknowledged.

[Endorsed]: Filed December 1, 1951.



